THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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BUSINESS ABSORBS PRICE INCREASES IN FARM EXPORTS

Expansion of Purchasing Power Rather Than Transfer to Farmer

RAILWAY EARNINGS UP

Indications That Foreign Capital Will Help to Revive Industry But Little Activity as Yet

With the approach of harvest, western crop reports are moderately more favorable, but recent obvious attempts to accelerate the price rise by exaggerated statements with regard to drouth and rust have made the business public extremely wary in accepting any statements on the subject. While the yield will be measurably below the bumper crop of 1923, taking the country as a whole, insufficient attention is usually given to the favorable outlook in the central and eastern provinces which jointly produce a much larger volume of agricultural produce than the West. The operating departments of the railways are now busily engaged in completing plans for the expeditious movement of the crop, and it is estimated that from 25,000 to 50,000 men will be needed for harvest operations in the West. Wheat cutting will commence about the middle of August, but harvesting will not be general until the end of the month.

While the interest of the country is centred upon the radical upward swing of grain prices, a similarly important factor as far as business is concerned, has to do with what may be called secondary production The grain price rise is bound to be reflected in the prices of the by-products of grain as well as the prices of livestock to which the grain is fed. Our export surplus of flour last year was worth $63,035,000 and the total output was worth close to $100,000,000. Taking into account the annual increase, the lower wheat yield and current price movements, the outlook is for a larger gross revenue from flour this year. The same may be said of other staple by-products of grain. The feed question is still more important. Higher grain prices have already reacted in increased cattle prices in the United States and this will inevitably be the case in Canada after a probable temporary tendency to sell off stock because of the higher feed prices. Last year's revenue from farm animals was $82,402,000. Taking into account the large increase in animal sales this year to date, there is strong probability that the total revenue from stock this year will be close to, or above $100,000,000. While what has been said applies particularly to oats and other coarse grains, it applies equally to hay. Last year's hay was worth $174,796,000 at an average price of $11.58 per ton. The price is now much higher, and increasing stock prices will bring it nearer $20 according to indications. The present yield compares favorably with that of last year, and, with higher prices, the gross revenue will be much larger. In this way the farmer's position is being measurably improved, and this is a significant factor in the general business outlook. Last year's gross agricultural revenue was $1,342,123,000 and the figure may easily be exceeded this year.

In addition to increased revenue, the above has a very far-reaching implication in the fact that Canada exports the bulk of her farm products. In the United States the products of the farm are largely consumed at home and the increase in the grain prices, rather than increasing the purchasing power of the country, merely shifts purchasing power from the consuming public to the farmer. In Canada the situation is quite different. The fact that most of our grain products are exported, or fed to livestock, which is later

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Canadian Conditions

Car Loadings—
Week ending July 19—

	1924	1923	
	51,522	50,813	+ 1.4%

—Year to date—

	1924	1923	
	1,555,149	1,438,661	+ 8.1%

Building—Six Months—

	1924	1923	
	$51,567,519	$62,581,842	—17.5%

Bank Clearings—Six Months—

	1924	1923	
	$7,399,117,549	$7,342,943,497	+ 0.8%

Grain Movement—Receipts to date—

	1923 crop	1922 crop	
	425,751,332	313,257,645	35.9%

Savings Deposits—Chartered Banks, May

	1924	1923	
	$1.204,816,866	$1,231,001,480	— 2.1%

Current Loans—By Banks, May—

	1924	1923	
	$989,305,863	$1,083,067,185	— 8.6%

Net Dominion Debt—

	1924	1923	
	$2,389,912,241	$2,409,001,572	— 0.8%

Railway Earnings—Six Months—

	1924	1923	
C.P.R.	$ 81,831,000	$ 77,951,000	+ 4.9%
C.N.R.	114,862.559	115,913,120	— 0.9%

Balance of Trade—Twelve Months, June—

	1924	1923	
Exp.	$1.062.243,790	$981,984,851	+ 8.1%
Imp.	854.944,878	864,172,897	— 1.0%
Bal.	207,298,912	117,811,954	+75.9%

$225,000,000 in Bond Interest and Dividends

To the end of August the total distribution in dividends and bond interest, according to THE FINANCIAL POST'S compilation, reaches a total close to $225,000,000, showing an increase for the eight months of $6,500,000.

The August total is slightly over $14,000,000, with an increase close to $3.000,000, largely in bond interest.

	1924	1923
January	$ 31,092,114	$28,890,162
February	12,545,576	11,324,060
March	25,480,553	26,780,891
April	27,853,288	26,278,451
May	45,913,693	47,871,280
June	33,828,046	33,838,312
July	33,897,076	30,924,006
August	14,006,054	11,172,319
	$224,616,400	$217,074,481

REPORTS OF RUST QUITE PREMATURE; MORE RAIN NEEDED

Western Crops Are Spotty With Some Sections Badly Burned

After making a careful examination of the wheat in the section of Manitoba which was reported to have been visited by rust, E. Cora Hind, Commercial Editor of the Manitoba Free Press has submitted the following statement to the FINANCIAL POST:

"Manitoba, unlike the other provinces, has had general and plentiful rains, and the crop outlook has been considered good right along, although the season was known to be a little late.

"Since Monday noon, the writer has motored over 150 miles through the territory reported to be infected and has found occasional rust blisters on the leaves, and sometimes on the sheath straw near the root, but no more than might be found in any year, if an equally careful inspection was made. Hot, muggy weather might develop this into an epidemic of rust, but at the present time there is absolutely nothing of the kind in the districts examined, which cover Winnipeg to Portage La Prairie, Portage to Rathwell, then via Treherne, Holland, Cypress and Glenboro, to Wawanesa.

"Speaking broadly of the whole distance, wheat is a fine crop, about two weeks later than usual, but otherwise quite normal and giving promise of filling well, much of it indicating six rows. As far as Holland about fifty per cent. has just passed the blossom stage, the balance running between half-formed berries and the milk stage. From Holland to Wawanesa, as the route lies more to the south, the grain is a little more advanced; about sixty per cent. probably is in milk and a very small percentage in the soft dough.

"Oats are generally a fair crop, though some of them are very late. Barley and flax are both late, but there is no reason why they should not finish good crops.

"There is a lot of very excellent fall rye; this is ready to cut and would be cutting now were it not for the heavy rains of Saturday night, and again over part of the territory, on Monday night. These rains have been followed by light winds and not too much sun, certainly not weather to develop rust.

"It will be a month at least before Manitoba's crop, any more than that of Alberta, can be pronounced on with any degree of certainty, but at the moment the outlook is very promising indeed."

Relative to crop conditions in Alberta and Saskatchewan, the following telegraphic communications were received by the Canada Permanent Mortgage Corporation at its head office in Toronto on the 29th:

"Edmonton district has had heavy

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The Bank of Montreal Reports General Rains

MONTREAL.—The Bank of Montreal issues the following general crop report: Heavy rains have benefited all crops in Manitoba, and improved crops on summerfallow in Alberta and Saskatchewan. Prospects generally fair to good, except in Southeast Edmonton, Northest Calgary, Northeast Lethbridge and Saskatoon districts. Hail damage to date negligible.

Rains general in eastern provinces; results beneficial. Quebec haying general; yield average; grain prospects satisfactory. Ontario haying practically completed, and cutting wheat general. Maritime provinces: Potatoes excellent; other crops light. General lack of moisture means yield below average in British Columbia. Fraser Valley grain is average, and Okanagan light. Peaches, plums early apples, are being picked.

Canadian Sales Are Leading All America

For first three weeks of July, Canadian division of National Cash Register was leading the entire American sales force. The figures show a total for the Dominion greater than that of the full month of July, 1923.

CANADA HAS KEY TO WORLD POWER IN WATER & FUEL

So 2,000 Delegates to Power Conference Were Told

COAL AND OIL

Mentioned as Canada's Important Resources as Well as Hydro Developments—Britain lags in Efficient Uses

Canada holds a commanding supply of the world's power, is one of the conclusions to be arrived at from the deliberations of the world's power conference that closed its sessions in London the other day. It was said in one paper, "Canada must be looked upon as the world's storehouse for future supplies of coal and possibly of oils derived from coal." Another writer, discussing oil in Canada, said, in an English paper: "The main field (in the Empire) where there is any real promise of large oil supplies is Canada." In a third great source of power, water power, Canada's achievements were lauded at the conference and it was realized that Canada had, for its population, made the greatest progress in water power utilization of any nation in the world. The opinion was expressed that one of the important reasons why Canadian coal resources had not been fully exploited and Canadian petroleum possibilities sounded was the fact that power was available so economically and plentifully from rivers and streams.

What It Means To Us

What this power may mean to Canada in the future is suggested by the remarks of the Prince of Wales in his opening speech when he said: "It is dfficult to conceive any modern industry where power in some shape or form does not play a part, steam, gas, oil, water, or electricity. It forms the one great instrument in the possession of man by which he is capable of extracting from Nature everything of value that Nature can offer and of converting this natural wealth into something of immediate use. As one expert says: 'The social structure itself is in a sense bound up with the effective use of power for industrial purposes, and there are many reasons to support the view that the weakness of the social structure in an industrial state is due to inefficient or inadequate utilization of power.' "

In addition to papers giving much detailed information on the power resources of Canada there were technical papers by Canadian engineers qualified to speak before the leaders in world power development.

Super-power in Canada

Julian C. Smith and C. V. Christie, in their report on "The Transmission and Distribution of Electric Power in Canada," described some remarkable progress in the formation of super power zones. The Niagara system of the Hydro-electric Power Commission of Ontario has, it is stated, a net-work of 110,000-volt lines and 12,000-volt circuits, which are normally fed from generating stations aggregating over 600,000 kw. In the Province of Quebec the Cedar Rapids development supplies power to Messenia in the United States and to the St. Lawrence system of the Hydro-electric Power Commission of Ontario in the eastern part of Ontario. It also delivers power to Montreal, and through the 12,000-volt distribution system of Montreal is connected to the lines of the Shawinigan Water and Power Co.,

(Continued on page 16)

SHARE EXCHANGE SCHEME IS HALTED

Cons. Realization Exchanging Shares in Canadian Companies—Court Action Taken

The recent expose of the "sucker-seeking scheme" of Consolidated Realization Co. of New York, in THE FINANCIAL POST, has been followed by action by the district attorney of New York in the courts. This is the concern that attempted to exchange shares for old and practically worthless shares of Peace River Petroleum for shares of Keystone Oil, and since then it has developed that the same interests have been after shareholders of La Paz Oil, Staunton, Mutual and Lowry Oils. It is rather difficult to place shares of defunct Peace River Petroleum and Mutual Oils on a parity, but these people did.

Carl Sherman, New York district attorney, took George Gibson, the head of the concern, into court under the Martin Act, charging fraudulent practices, and asking an immediate injunction to prevent further activities in the exchange of these shares. It was granted. One contention Gibson set up was that subsidiary companies controlled by his company had assets of over $5 400,000. Sherman said his information was that there were no assets.

There is a further Canadian end to this operation, which is being investigated.

"SISAL TRUST" IS BEING SUED BY U.S. GOVERNMENT

The Royal and Another Big Canadian Bank Interested

MAY BE POLITICS

Opinion Held That Conditions Are Such That Little Can be Done to Alter Price or Other Factors

From Our Own Correspondent.

NEW YORK.—Western Canada should be very interested in the progress of the case instituted by the attorney-general of the United States against the so-called "sisal trust" for a number of reasons. The first, of course, is that the greater part of the fibre used in manufacturing binder twine used in Canada is sisal supplied by the "sisal trust." Another is that one of the big Canadian banks, the Royal Bank of Canada, is coupled with the "sisal trust" as a defendant. Two of the Royal Bank's officers, F. T. Walker and J. A. Beatson, agents of the bank in New York for a number of years, are also defendants. Both Mr. Walker and Mr. Beatson are well known in Canada, having for a number of years been attached to the Royal's staff at Montreal.

The complaint filed by order of the attorney-general names, in addition to the Royal Bank of Canada and its two local agents, the Equitable Trust Co. of New York, its president, Alvin W. Krech, the Sisal Sales Corporation, three of its officers, the Commission Exportadora de Yucatan, Yucatan, Mexico, the semi-governmental organization in Mexico which controls the collection and shipment of the fibre grown in Mexico, and the Interstate Trust and Banking Corporation of New Orleans.

The attorney-general's complaint claims that the defendants are "engaged in a combination and conspiracy in restraint of interstate and foreign trade and commerce in sisal, and in contracts in restraint of such trade and commerce, and are monopolizing and attempting to monopolize such trade and commerce in violation of the anti-trust laws of the United States, particularly the Sherman Act, and the Wilson Tariff Act; that as a result of such combination the defendants have acquired a complete monopoly in the sale of sisal in the United States, and have absolute control over the price of such commodity."

Price-Boosting Charged

The complaint also states that in 1924 the Sisal Corporation raised the price of sisal in the United States to 7½ cents.

The Royal Bank's connection with the suit instituted by the government is established through its alleged participation in the formation of the Eric Corporation, one of the defendants, a corporation formed in 1919 to liquidate surplus sisal left on the hands of the Royal, and two American banks by the sharp decline in price which occurred in that year.

The Royal and its associated banks, it is said in the complaint, attempted through the Eric Corporation, the Sisal Sales Corporation, and the Commission Exportadora de Yucatan, to artificially raise the price of sisal by buying up the surplus in Mexico, while it controlled the surplus stock stored in the United States.

A statement has been issued by the Sisal Sales Corporation declaring that it has done much to stabilize the whole sisal industry. The corporation, this statement says, aims at all times to keep sisal at a price which would be fair to the American farmer.

So far as the price of sisal is concerned, the suit instituted will be futile, in the opinion of the local fibre trade. Over eighty per cent. of the binder twine used in this country and in Canada is made of sisal, and under present conditions can be made of nothing which will meet the demands of the binder twine manufacturers as well. While sisal in limited quantities is being imported from Africa, and Colombia, the Mexican producers virtually control the market. It is difficult to see how the United States and Canada can escape the control of the growers in Yucatan.

Trying Out Substitutes

In recent years there has been much talk in both Canada and the United States of attempting to grow a substitue for sisal. A number of experiments have been made with domestic fibres of various kinds.

Recently, local trade authorities tell THE FINANCIAL POST, there has been some discussion in Western Canada of the possibility of using the hemp grown in Western Canada as a material for manufacture of binder twine. The Western Canadians believed, according to local informants, that their native hemp could be laid down in Winnipeg and other Western Canadian points at a price well below the price at which sisal is now being laid down in Brantford. It was felt that this being the case, binder twine manufacturers, using Western-grown hemp, could produce binder twine much below the price at which it is at present being sold to the Western Canadian grain growers.

Whether these discussions have been abandoned or not local authorities do not appear to know. It is felt, however, that they probably have. As several mill experts told THE FINANCIAL POST, domestic American hemp is physically unsuitable for use in binder twine plants.

Under the circumstances, the trade finds it difficult to see what possible effect the government's suit can have on the price or the demand for sisal.

Opinion here seems to be that the case has been launched more for its effect on the farmer vote in the American West than for any other purpose,

PROSPECTS FOR LIGHTER TAXES ARE NOT BRIGHT

Effects of Reduction in the Tariff Are Now Seen

From Our Own Correspondent.

OTTAWA.—Advices from Melbourne show that Australia in matters of fiscal policy is following the lead of the United States rather than that of Canada; that is, the intention is to leave the tariff as it is and to reduce the income tax to the extent of $10.000,000 within the year.

The United States two years ago, increased its tariff and thus made possible the large reductions in the income tax effected during the last session of Congress. It is found that the resulting increase in the customs collections just about approximates to the reductions in the income tax, the latter being somewhat, but not much larger. Canada has reduced the tariff, and has increased the amount of the exception for dependents under the income tax. As the United States did the latter 18 months ago, there has been in this country no reduction in the income tax corresponding to that in the United States, nor corresponding to that which is proposed in Australia.

As for the prospects of an early reduction in the Canadian income tax, it may be said with practical certainty, that they are not good, if the country is to maintain a pay-as-you-go policy. The reductions in the tariff and in the sales tax have wiped out any surplus that might have warranted such action. At the present rate at which the revenue is falling behind that of last year, the Government's estimated loss in revenue, will be exceeded by nearly 45 per cent. Nor is expenditure being reduced. On the contrary, so far this year, it has remained stationary.

At the present date business in this country is confronted with less prospect of a reduction in taxes than was the case a year ago. This is the cold truth and there is not much use shutting one's eyes to it.

C.P.R. Calls Tenders for Chateau Lake Louise

From Our Own Correspondent.

MONTREAL.—The C. P. R. is not going to lose any time replacing the burned portions of the Chateau Lake Louise. Tenders have already been called for a new wing that will make the hotel larger and more attractive than before.

The new wing will add three hundred rooms to the 115 rooms in the concrete portion of the old hotel that was not burned. In addition to the 415 rooms that will be in the hotel proper there are bungalows to hold 65 or 75 additional guests

EUROPE WILL BE SHORT OF WHEAT

That is No Doubt One of the Big Reasons for Recent Sharp Advance in Prices

From Our Own Correspondent.

NEW YORK.—While foreign demand for grains has been somewhat light for this season of the year, confidential information received from Europe by members of the New York Produce Exchange indicates that most of the European countries will be short of wheat this fall.

THE FINANCIAL POST is told that the Russian government has imposed a strict censorship on the news of the Russian harvests. The policy of the censors will be to release only optimistic reports.

The Indian exportable surplus will be short partly on account of a short drop, but partly because domestic consumption is increasing.

The Hungarian government, it is understood, has abolished all import and export restrictions on cereals.

Railways to Borrow More Money This Year

OTTAWA.—The estimates of the Canadian National this year call for an expenditure of $56.000.000 with an additional $9,000,000 for equipment. This means that there will be further borrowing during the current fiscal year. With money conditions such as they are, it is not surprising that there should be more than one bite at the cherry.

PLENTY OF ROOM TO IMPROVE THE CIVIL SERVICE

Need for Co-ordinating the Various Departments

THE SPECIAL REPORT

Committee Finds Natural Difficulty in Division of Authority Between Deputies and C. S. Commission

From Our Own Correspondent.

OTTAWA.—With falling revenues and stationary, if not slightly higher, expenditure being the order of the day, it is probable that much will be heard between now and the next session of parliament, of the need for national economy. This means that considerable will be said about the cost of government generally, and of the Civil Service in particular. Food for this kind of discussion is to be found in the report of the special committee of the senate appointed to enquire into the efficiency of the service. This committee conducted a very thorough equiry, and its conclusions are valuable. The following are some of the more important of its conclusions:

"On the question of staff control there is a considerable divergence of opinion; for example, the Deputy Minister of Trade and Commerce states that existing conditions are satisfactory; the Deputy Minister of the Interior finds fault with the present system and is convinced that staff matters should be exclusively in the hands of the departmental head; while the Deputy Minister of Agriculture can hardly see how it would be possible to give Deputy Ministers more control over their staffs than they have at present. The objection of deputy ministers to any control by the Civil Service Commission is, of course, readily understandable, but, as pointed out by the Superintendent of Insurance, it is essential to have a co-ordinating body to ensure that the scale of classifications is the same for all departments, otherwise there could be no common standard for service.

Departmental Jealousies

"Some of the deputy ministers admitted in effect that there was little or no desire upon the part of deputy heads and the heads of branches to co-operate with the Civil Service Commission or otherwise with a view to staff reductions. It was suggested that this was contrary to human nature, that every department was jealous of its importance, the number of its branches and the size of its staff. It would appear,

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Activity on New Mill International Paper

From Our Own Correspondent.

MONTREAL.—The chief engineer of the International Paper Company was in Canada this week, and it is learned that he was looking after supplies of steel and other materials for the big new newsprint mill that the International intends to put up in Canada.

The site of the mill has not been chosen, and is hardly likely to be chosen until the Riordon foreclosure sale has been completed, when a deal may be arranged between the new owners—likely the bondholders' committees—and the International for the conveyance of at least a portion of the properties to the International, who would then erect their newsprint mill in connection with the Riordon pulp mills. Failing some such arrangement as this, the mill will likely be built either alongside the International's present mill at Three Rivers or at Batiscan.

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Bank Offices Abroad

The Bank of Montreal has old-established banking connections throughout the world. Its own offices in financial centres abroad are situated as follows:

GREAT BRITAIN:	*London*	47 Threadneedle Street, E.C.2 9 Waterloo Place, S.W.1
FRANCE:	*Paris*	Bank of Montreal (France) 6 Place Vendôme
UNITED STATES:	*New York* *Chicago* *Spokane, Wash.* *San Francisco*	64 Wall Street 27 and 29 South LaSalle St. Riverside Ave. & Stevens St. British American Bank (Bank of Montreal Auxiliary)
MEXICO:	*City of Mexico* *Puebla* *Vera Cruz*	Avenida Isabel la Catolica No. 40 Avenida Reforma No. 106 Avenida Independencia No. 23

In the West Indies, British Guiana and West Africa, the Bank of Montreal is represented by the Colonial Bank (of London), in which it has an interest.

BANK OF MONTREAL

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The Weyburn Security Bank

Chartered by the Act of the Dominion Parliament

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DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

The Bank of Nova Scotia

Established 1832

Capital .... $ 10,000,000
Reserve Fund 19,500,000
Total Assets 220,000,000

GENERAL OFFICE—TORONTO, ONT

J. A. McLEOD, General Manager.

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MILESTONES IN CANADIAN HISTORY

1865 to 1924

Hon. D. A. Smith (Lord Strathcona) driving the Golden Spike—Nov. 7, 1885

1885 Second only in importance to confederation itself was the completion of the Canadian Pacific Railway.

It opened up the vast territory of the West. It attracted hundreds of thousands of settlers. It gave the grain growers access to the world's markets. It rounded out the unity of the Dominion; for in a country so widespread as Canada, "the tie that binds" is the railroad tie.

In keeping with the spirit of Dominion-wide service, the name of this Bank was changed, by the sanction of Parliament, from the "Union Bank of Lower Canada" to the

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960

When You Require a Letter of Credit

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DUTY ON SAMPLES TO CHINA

J. W. Ross, Canadian trade commissioner in Shanghai, advises that samples of merchandise or goods offered for sale, that is complete articles, are assessed for duty on importation into China the same as any other imported article, and must pay the regular import duty. This does not apply to small samples such as cotton or woollen piece goods, or articles of that class that have not a commercial value. Thus, one boot of a certain style would not have to pay a duty, or one stocking, but in the case of a typewriter or a similar article the duty would have to be paid. On the samples of goods displayed in the sales room opened at Shanghai some time ago in the interests of Canadian manufacturers and exporters, a duty has been assessed and paid by the manufacturers through their agent there.

The Business Outlook

PRICE FIRMNESS FOLLOWS DECLINE IN METAL MARKET

Increasing Output From Mines at Higher Quotations Swells Revenue

As a result of the keen interest displayed by the general public in the mining industry from the investment standpoint, the ever-increasing importance of the industry from a viewpoint of general business is often overlooked. The fact that millions are being paid annually in wages and dividends, in addition to the purchase of equipment, and the receipts from the sale of the products themselves, is a very important factor in business, the more so since this total is increasing very largelv vear by year. It is estimated that $220,000,000 has been paid in dividends from the mines of Northern Ontario alone since the beginning of the century, and that British Columbia mines have paid $65,000,000 in dividends. When we combine these various forms of income, the annual total is a large part of the total revenue of the country from all sources of industry, as shown by the accompanying charts. Chart 1 shows the value of the output of four metals during recent years, and chart 2 shows the rise during the past decade in the total value of mineral output in Canada. The figures for the value of the output for the period were:

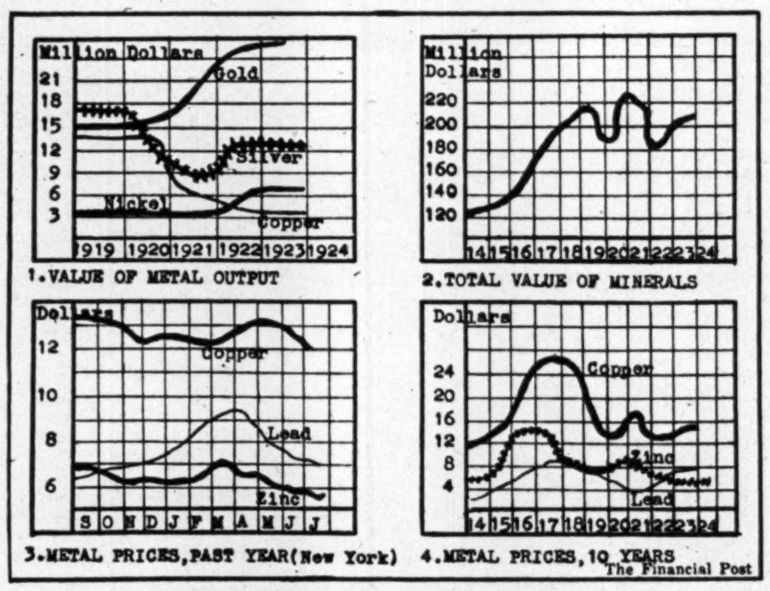
Date	Value	Date	Value
1914	..$128,863,075	1919	..$176,686,390
1915	.. 137,109,171	1920	.. 227,859,665
1916	.. 177,201,534	1921	.. 171,923,342
1917	.. 189,646,821	1922	.. 184,297,242
1918	.. 211,301,897	1923	.. 214,102,000

The price trend of copper, lead, and zinc, during the past twelve months and ten years respectively in dollars per hundred pounds is shown in Charts 3 and 4. The prices of copper and zinc have returned to pre-war levels. Recently the trend has been downward, but a strengthening tendency is evident at present. Reference to this is made in the mining section of this issue. Lead prices are still considerably above pre-war levels. The tendency during the past three years was upward, and, after a recent weakening tendency, prices have again strengthened during the past week (see mining section). Since Canadian prices are based on and follow New York prices, the quotations are those of the New York market. Following are the yearly average prices of some of the chief metals since 1914:

Yearly Average Price of

	Copper	Silver	Lead	Zinc
1914 ..	13.6	54.3	3.9	5.3
1915 ..	17.3	49.7	4.6	13.2
1916 ..	27.2	65.7	6.9	13.6
1917 ..	27.2	81.4	8.8	8.8
1918 ..	24.6	96.8	7.4	7.9
1919 ..	13.7	111.1	6.6	7.8
1920 ..	17.5	110.0	3.08	8.1
1921 ..	12.65	63.07	4.55	5.15
1922 ..	13.56	68,38	5.71	5.09
1923 ..	14.61	65.38	7.48	7.01

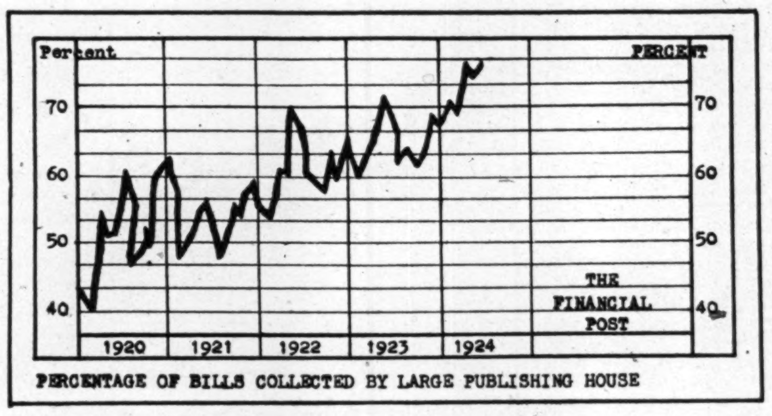
NEXT WEEK.—THE BUSINESS BAROMETER



1. VALUE OF METAL OUTPUT 2. TOTAL VALUE OF MINERALS 3. METAL PRICES, PAST YEAR (New York) 4. METAL PRICES, 10 YEARS The Financial Post

Collections Improving

One of the business difficulties of the depression period has been the problem of making collections. During a period when business is uncertain there is a marked tendency to postpone the payment of bills as long as possible, and investigation shows that this tendency is usually just as prevalent in the case of those who can pay if they wish as with those who are actually unable to make settlement. It is quite evident that this has a depressing effect upon business, and has a tendency to prolong the duration of the depression.



PERCENTAGE OF BILLS COLLECTED BY LARGE PUBLISHING HOUSE

It does not always hold, however, that collections need necessarily be poorer during a depression. The accompanying chart which represents the bills for advertising actually collected, in the case of one of the largest Canadian publishing houses since 1920, is probably typical; the aggregate receipts in the case of this firm's business remained approximately constant. The steady improvement is due partly to the fact that the business written up during the period was of a more substantial nature, but it was due more particularly to the exertion of increased effort during such a period. The firm concerned is fairly representative, since it deals with manufacturers in all branches, and they in turn are dependent on the wholesale and retail trades.

The case cited illustrates that collections can be kept up and even improved, during a depression, by the exertion of slightly increased pressure, without, of course, causing offence to clients. The advantages of so doing are very evident. Not only is there the actual saving of money that would otherwise be lost, but there is the saving of interest—a very considerable item in the aggregate, and also a psychological value in that there is a tendency not to do business with a firm or individual to whom one owes money.

According to current reports from all parts of the country, collections have improved in the last month or two, and are now reported fair in almost all sections.

NEXT WEEK.—FOREIGN TRADE

SLIGHT IMPROVEMENT IN BRITISH OUTLOOK

Decline Which Occurred in 1923 is Not Yet in Evidence During Present Year

That there has been a continuation of the general business recovery in Great Britain during the past two months is indicated by various factors, prominent among which is the fact that unemployment has continued to decrease. At the end of June less than 10 per cent. of the total number of workmen included in the Labor Department's lists were unemployed. Taking into consideration only skilled workers the percentage was a little over 7. In numbers, this is 200,000 less than at this time last year. Bank clearings have increased about 45 per cent. over the same date last year, and freight receipts on the four large railways show an upward tendency. The steel outlook is reasonably good, although the demand for pig iron remains dull, and stocks are reported to be accumulating. Demand in the cotton trade is rather more lively, although lower values are anticipated in some quarters. Some improvement is also reported in the wool trade. In general business the mid-summer is normally a period of inactivity, after a gradual upward movement during the spring months. The normal falling off has been evident this year, but no definite recession has yet set in as was the case at this time in 1923.

RECEIVERSHIP TALK FOR WILSONS

The Wilson Co., the giant packing merger of the U.S., has been having financial troubles and receivership talk has been going the rounds. Auditors are now preparing a report on the company and its subsidiaries and the latest statement is that the receivership talk is premature as there are indications that the company will be able to survive. The fact that the company has been experiencing difficulties may be taken as showing the general position of the industry. The company has one plant in Western Ontario.

USE UNEMPLOYMENT AS BAROMETER OF BUSINESS TREND

New Method of Forecasting Up and Down Movements Suggested

A very suggestive contribution to the subject of business forecasting appears in the August issue of the Canadian Forum above the name of G. E. Jackson. While the method suggested is much less intricate than some of the more specialized formula used in the United States, this does not necessarily detract from its value.

It is Mr. Jackson's contention that, when rightly studied, changes in the labor market are a fairly safe indication of the general trend, but that the seasonal variation in employment in Canada makes the proper interpretation of this index difficult. He, therefore, takes the employment percentage figures prepared monthlv by the Dominion Bureau of Statistics, and eliminates the seasonal swings, or rather allows for them. In December last, using the method specified, Mr. Jackson made a forecast of employment for the first six months of 1924, and came astonishingly close to the actual figures later prepared. He has also prepared a forecast for the second half of the year, which appears at the end of this article.

What is the value of such a forecast to the ordinary business man? It does not tell him what business conditions will be, but what the employment situation will be, if the normal development of business occurs. When this forecast is compared with the actual employment percentage figures prepared by the Bureau of Statistics, it will be found to be either above or below, in all probability. If the Bureau's figures run along higher, it may be concluded that businenss is definitely improving. If the bureau's figures run below the forecast, on the other hand, it is evident that business is falling off somewhat. The business man thus has a guide in forming his forward policies. It will be a matter of interest as well as information to compare Mr. Jackson's forecast with the government's figures as they are published from month to month. The forecast for the second half of the year follows:

Date	Percentage
July 1, 1924	97.2
Aug. 1	98.4
Sept. 1	98.1
Oct. 1	98.6
Nov. 1	98.4
Dec. 1	95.6
Jan. 1, 1925	88.0

TRADE EXPANSION WITH ORIENT AND CENTRAL EUROPE

Increase of 75 Per Cent. in Favorable Balance of Trade

substantial increase took place in Canada's exports, during the year just completed, the two major points of interest are: what countries bought larger quantities, and what products we sold larger quantities of. It is worthy of note that the countries showing the largest percentage increase in purchases from Canada were not those for whose trade we are making the greatest bid by trade agreements and otherwise, but were the countries of the Orient, and of Central and Northern Europe. The largest increase in actual volume and value was, of course, in the case of exports to the United States. Exports to China increased from $6,079,000 to $15,445,000 during the year ending with June; to Japan the increase was from $15,641,000 to $26,428,000. Germany practically doubled her purchases; those to Switzerland were three times as great; to Norway, Italy, Sweden, etc., a very material increase took place, while shipments to the United States expanded from $394,280,000 to $423,885,000.

In regard to the products which accounted for the large increase, the leading item was grain and its products. Next to this, there was an increase of $22,000,000 in metal exports, the largest single items being gold and iron. Other important increases took place in the case of farm implements and machinery, milk products, unmanufactured wood, square timber and paper.

Imports generally show a decrease of about $10.000,000 during the year, those from the United States having decreased by about $15,000,000. In the case of Great Britain, the imports increased by about $600,000, but the actual increase may have been concealed through the depreciation of sterling. Imports from Australia were cut in half, or from $1,545,000 to $789,000. Germany sold us about $2,500,00 more goods. Aside from this, we seem to have bought less from abroad, at least the money value of what we bought was less.

More close examination shows, however, that we actually bought more of some products. For example, imports of bituminous coal were 1,750,000 tons greater during the year, and yet the cost was about $12,000,000 less. Imports of crude petroleum were about 88,000,000 gallons greater, but the cost was only $700,000 more. On the other hand, imports of refined petroleum, which were 14,300,000 gallons greater, were actually worth about $1,000,000 less than during the preceding year.

WILL BUILD IN ENGLAND

Ford Co. of Great Britain has purchased a site and will erect a factory to produce an all-British Ford. The plant will employ 10,000 and turn out 500 cars daily. The horsepower tax in force in England hits the Ford car but hope of adjustment is expressed. Ford sales in England are now about 40,000 annually.

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CANADA'S CROP MEANS MUCH TO UNITED STATES

Has Direct Bearing on Prices and General Conditions

From Our Own Correspondent.

OTTAWA.—The recent "scare" reports about the wheat crop in the West that have received so much attention across the line have led to enquiry why the United States press pays so much attention to the Canadian crop. There's a reason; indeed, it would be more correct to say that there are several reasons.

In the first place, the price that the farmers in the Western states will get for their grain will depend very largely on the size of the Canadian crop; for during the last year or two our wheat has had the American pretty well backed off the export map. This is not absolutely, but it is relatively true. Final reports are not yet available, but the last report of the United States Department of Agriculture showed that while that country would not have quite as much wheat as it had last year, the yield would be greater than seemed probable two months ago. An advance of from 30 to 40 cents a bushel is a big thing for the American wheat grower.

Railways Interested

The Canadian crop is also of very great importance to United States transportation interests. The extent to which this is true is not realized by Canadians, much less by Americans. But Buffalo, New York, Portland, and the American railway and shipping interests know what it means. They grow fat on it. Last year's crop was a veritable bonanza to them. At that they did not get the handling of so much of it as they would have got had it not been for the large shipments through the port of Vancouver.

From the opening of navigation on April 17 to June 30, this year, 78,220,000 bushels of wheat were shipped down the Lakes from Fort William and Port Arthur. Of this, 37,754,000 bushels went to Buffalo, and 1,630,000 bushels to other American lake ports. Buffalo got within 2,000,000 bushels as much wheat as the lower Canadian lake ports, Montreal and Quebec. This is very nearly double the quantity that went out this way during the preceding period, and shows conclusively what a big Western wheat crop in this country means to American ports.

In addition, there is the freight that the passage of such a large volume of wheat means for the United States railways. During a period when domestic traffic was falling off very rapidly, this large volume of Canadian grain must have been a very welcome contribution.

There is also the importance of the Canadian hard wheat crop to United States millers, especially for those who import the Canadian product to grind in bond for export. This is a business that is very rapidly growing. During the period from January 1 to June 30 the United States imported from Canada 14,700,000 bushels of wheat, of which 7,700,000, or over one half, was for milling in bond for export.

Prairie Fruit Combine Alleged by Minister

REGINA.—Whether or not fruit producers and consumers in the four Western provinces of Canada are the victims of a gigantic fruit-buying and selling combine will be disclosed in a few weeks by a commission appointed by Hon. James Murdock, Federal Minister of Labor.

The alleged combine to be investigated, operates under numerous names, and is said to be practically in control of the fruit marketing agencies in Manitoba, Saskatchewan, Alberta, and British Columbia. The order-in-council says:

"The minister states that the registrar has reported to him that from enquiries which he has made he has reason to believe and does believe that a combine within the meaning of the act exists with respect to the production, storage, transportation, price, purchase, barter or sale of fruits and vegetables produced in British Columbia to the injury of producers and consumers of such products."

Motors Important in Handling of Freight

NEW YORK.—By the successful use of motor trucks for the transfer of less-than-carload freight between the western terminals of its lines the Long Island Railroad has not only demonstrated the practicability of this much-discussed step, but has also indicated the benefits that will accrue to both shippers and the general public when the motorization of railroad freight terminals becomes a fact. A new departure in truck manufacture is announced by Chas. M. Schwab, who is heading a truck concern to make six-wheeled trucks. He says a vast opportunity awaits the right type of highway vehicle. Highway transportation as a complement of rail transportation fills a need that cannot be met in any other way. The new vehicle will reduce road impact to about one-fourth.

NEW PAINT PLANT AT COAST

VANCOUVER. — A plant for the manufacture of a special brand of paint and composition for use on ships is to be established in Vancouver, according to information given out by Sir William Maxwell, of London, who is here in the interests of a British company which supplies a large proportion of the anti-fouling paint used on ships all over the world.

Search for Oil in West Ontario is Quite Keen

Some eighteen oil-drilling outfits are at work in Western Ontario, mostly in counties along Lake Erie, Essex, and the area east, being the most favored. It is being estimated at the Parliament Buildings, Toronto, from the weekly returns being sent in, that $400,000 will be spent in the quest for oil this season. The success of the Romney Well, which is flowing over 100 barrels daily, has caused a material increase in interest this year. Colchester Tp. is being drilled by a couple of the companies. It is believed that in this area is the top of the dome in Ontario that extends into Ohio, and is responsible for the oil fields of that state.

MUST STABILIZE THE LOW PRESSURE TIRE

Balloon tires, so called, are bringing about quite a change in the tire industry and are really responsible for the cut recently made by the leaders in the industry. In preparation for an active season the tire companies in the winter prepared large stocks of standard casings only to have the balloon popularity wreck their plans and leave large inventories. One company was responsible for the recent cut. It found that its patrons would not buy the new rims for its balloons and so decided to furnish the new wheels. This was about equal to a 15 per cent. cut in price and it was in this manner that the other companies met the cut.

While it is conceded that the low pressure tires are here to stay, the leaders of some of the companies state that it will take some time for them to become standardized. They are satisfied that there will have to be a thinner wall and wider cross-section. It will take some years, 2 to 4, they state, to get them standardized.

IMPERIAL OIL TO DRILL AGAIN IN COUTTS, ALTA., AREA

Have Taken Three Leases Not Far From Rogers-Imperial Gas Well

From Our Own Correspondent.

LETHBRIDGE.—J. R. Tapley has disposed of three sections of leases north of the Rogers gas well to the Imperial Oil Co., and it is upon this acreage that the Imperial will put down a new well. The Imperial rig is now rolling south from the Fabyan field in northern Alberta, and the new Imperial border well will be spudded in before August 1. Meanwhile, the Rogers giant gas well is being carried deeper in hopes of finding an oil sand underlying the gas sand. The gas has been brought under control and reports from the well are that the bit is sinking below the gas formation rapidly. An oil sand is looked for within 300 feet from the gas-bearing strata. "Thus far our operation has been successful," said President Mark Rogers of the Canadian Oil and Refining Company, after communicating with his driller. Oil men are much interested in the Rogers Imperial well, as much development hinges on their findings around the 3,000 to 3,200 foot level.

An early start in drilling will be made by the Provincial Oil & Gas Company, of Regina. Two officials of the company, John M. Thornton, president, and Joseph Oberhoffner, secretary, are now in Many Island field to make final arrangements to drill on the company's location, six miles east of the Community well. A camp has already been built at the site and it is understood that drilling will be under way within a short time.

Argues Higher Tariff to Share Prosperity of U.S.

The Prosperity League of Canada Outlines Its Policy, But There Are Other Views as to How to Bring About Better Economic Conditions in This Country

"Canada First" is the slogan being sounded in the camps of followers of a number of economic and tariff campaigns which are now being carried on by political and other organizations. To take their various policies at their face value they are all—apart from the radicals—actuated by a laudable desire to better conditions in the country. The difference lies in their methods. There is a new movement, the Prosperity League, which aims to bring better times by raising the present tariff. There is the moderate tariff faction, which includes both those who believe in protection moderated and those who stand for free trade in moderation. And there are some who believe that manufacturers and other business men are paying too much attention to the tariff and not enough attention to getting down their costs of doing business and increasing profits by methods of efficiency.

THE FINANCIAL POST proposes to run a series of three articles—the first by W. R. Morson, president of the Prosperity League; the second by Randolph K. Jones, M.A., on a protective tariff to include a well devised preferential system, and the third by R. L. Wright, treasurer of the Wahl Eversharp Co. of Canada, and president of the Canadian Society of Cost Accountants, on reducing manufacturing costs by scientific cost finding.

The Prosperity League

Mr. Morson compares fundamental conditions in Canada with those in the United States, and finds the former in depression, and the latter, except temporarily, enjoying prosperity. It is shown that this cannot be explained by the relative foreign trade positions of the countries, since Canada's per capita exports exceed those of the United States. The per capita national debts are so close that this cannot be an explanation. Then again, in available bank resources and national wealth, there is insufficient per capita difference to explain the situation. It is the conclusion of the author, therefore, that the explanation may be found in the tariff, which, according to his figures, averages 20 per cent. in Canada, and 60 per cent. in the United States.

Assuming the truth of what has been said, Mr. Morson proceeds to show that wages and the tariff policy of any country are interdependent, and that lower wages in Canada, which result from a low tariff policy, drive our citizens to the United States in search of higher pay, and that the United States benefits therefrom. He also contends that American industries in Canada are taking money out of the country without giving an equivalent return, and that the one-sided tariff arrangement between the two countries constituted an unfavorable balance of from $200,000,000 to $300,000,000 annually against Canada. It is the suggestion of the writer that Canada set up a tariff barrier similar to that of the United States, and set her wage scale and price levels up accordingly, with a view to establishing prosperity in this country similar to that in the United States, so that our citizens will remain at home and consume Canadian-made products.

In conclusion, the following plea is made for a tariff based on business principles rather than on partisan politics:

"Now then we ask Canadians to ponder this question: What is the principal game played by our politicians? It is rugby. And what are they using as footballs? Our dinner-pails and our strong-boxes, knocking them back and forth at least every four years, and scattering the contents to the winds. This is actually what is being done, and to-day many a workman finds his dinner-pail empty; many a housewife finds her purse empty; and many a merchant and manufacturer finds his strong-box empty. We must endure the party system of government, because we have as yet found no better way; but we ask every sensible Canadian to support us in demanding that they find some other ball to kick about, and that the tariff be handled in a non-partisan way, just as any board of directors, or any business management would handle the affairs of a business concern. We must devise a plan that will allow all men to think straight on the tariff question. We must free our minds from partisan politics.

"There has been a long-standing demand throughout this country that the tariff be taken out of politics, but the plans for doing so have not met with sufficient approval. They have not been thought practical. We have recently proposed a plebiscite on two definitely arranged tariffs, but we believe that the following proposal is a much better plan; one that may have no precedent as applied to a tariff bill, but which has been in use at least in the British House in deciding certain matters, and is in use in every well-conducted business throughout the world.

Wants Tariff Board

"Our suggestion is that the tariff be drawn up by a permanent advisory body, appointed in the first instance by the parties represented in the House, in proportion to their numerical strength. Also that the tariff be subjected to a free vote, in both the House of Commons, and the Senate. This will rid many members and perhaps ultimately all the members, of partisan prejudice in dealing with the tariff, as it would not affect the standing of the party in power, no matter which way the vote should go. It would allow each member to take an independent and business view of the most vital thing our representatives are ever called upon to consider, so far as our material well-being is concerned. To get a clear view of what is going on in the House, under the present system, we would ask the reader to consider this case: Suppose the House were voting on a question as to whether a man should be shot. If all on one side of the House voted for him to be shot, and all on the other side voted for him not to be shot, could we bring ourselves to a belief in such a coincidence, that the division occurred as it did on the conscientious convictions of each member? Would we not be certain that some were guilty of conspiracy to murder in voting to shoot a man they believed to be innocent, and that others were voting to acquit a guilty man? An unconscientious vote on the tariff may financially kill hundreds of thousands of men, drive many into poverty and even into the grave. It drove 300,000 out of their own country in 1923 in order to make a livelihood. Does not a partisan vote on a vital question such as this appear to us as an awful curse, a damnable thing for our country? Then let every organization, political and non-political, in Canada unite in a determination to stamp out the partisan spirit in the conduct of our business affairs. Under the present system, when the vote means a defeat either of the government or of the country's wishes, it inevitably results in the country's defeat, whereas, in the case of a 'free vote,' the country's wishes would be respected. Under a system of a free vote, a candidate might commit himself to a high tariff, and to support the Liberal Party, and another might support the Conservative Party and a low tariff.

"A candidate would doubtless declare whether he favored a high or low tariff when presenting himself for election, but, if he favored a high tariff, but also some important ideal that the Liberal Party stood for, he could stand for both in seeking election. Likewise the candidate might favor Conservative ideals, and also a low tariff, or even free trade; he then could stand for both. There is no security for the country in adhering to one party. All parties go wrong. Some are corrupt, some inert, some incompetent. And when a government comes to deserve any of these descriptions, the voter wishes to be able to vote his party out of power, without spilling his dinner pail; without facing economic ruin. In most constituencies the candidates would know what tariff policy was acceptable to the majority, and both candidates would in that case favor the same tariff policy, but would differ on other principles.

"We appeal to all parties to-day to work towards this solution of our national difficulty. We feel confident that all are aware of this difficulty, and that those, who are inspired by the single purpose of promoting their country's welfare, will agree to some such plan. The country should strike out now, at a time when the facts are so evident. The present low tariff is steering this country straight out of the empire. And this is the very last thing that is desired by those who are unanimous in supporting the party responsible for it. We ask all citizens of all parties, of all religions, east and west, to unite in a determination to foster Canadian production and to pull together in a business programme to build up Canada."

THE ROYAL BANK OF CANADA
Statement to the Dominion Government (Condensed)
June 30, 1924.
Head Office MONTREAL

LIABILITIES.	
Capital Paid up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	1,085,830.67
Notes in Circulation	30,154,069.74
Deposits	462,251,698.39
Due to other Banks	11,029,224.32
Bills Payable (Acceptances by London Branch)	5,105,867.04
Letters of Credit outstanding	20,019,708.63
	$570,446,398.79
ASSETS.	
Cash on Hand and in Banks	$103,917,970.22
Deposit in the Central Gold Reserves	12,000,000.00
Government and Municipal Securities	77,543,348.82
Railway and other Bonds, Debentures and Stocks	12,807,943.86
Call Loans in Canada	17,054,036.84
Call Loans elsewhere than in Canada	38,443,773.08
	$261,767,072.82
Loans and Discounts	271,794,260.43
Liabilities of Customers under Letters of Credit as per contra	20,019,708.63
Bank Premises	13,733,638.68
Real Estate other than Bank Premises	1,721,862.70
Mortgages on Real Estate sold by the Bank	389,855.53
Deposit with Dominion Government for Security of Note Circulation	1,020,000.00
	$570,446,398.79

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TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—An order in council has been passed on July 7, 1924, directing that a license shall no longer be required for the exportation from the Dominion to Turkey of arms and munitions.

Ottawa.—Declared that clevises, whiffletrees, neckyokes, hitches and whiffletree and neckyoke irons, when imported as complete parts of goods enumerated in tariff items 445, 446, 446b, 447b, 448 and 591, are entitled to entry under the respective items. A declaration is to be placed on the face of the entry to the effect that the articles imported are complete parts, and for use as such, of the particular goods enumerated in the said tariff items. Articles entered under the above ruling are exempt from sales tax.

Iron, steel and bronze solid and sectional propellers for ships or vessels are now made in Canada in all sizes, and such articles are therefore not entitled to entry under tariff item 470.

Material, per sample submitted, from The Salem Oil & Grease Co., Salem, Mass., invoiced as "LXX Grease" and further described on invoice as follows: "This merchandise is acid fat liquor of oil, and contains two acids nearly neutral," is found to be sulphonated oil dutiable under tariff item 711.

Australia.—The duties on the following items of the Australian tariff have been deferred as shown:—Sewing machines, treadle or hand of the type ordinarily used in the household. Machine heads, whether imported separately or forming part of the complete machine, including accessories, except wrenches and oil cans, to January 1, 1925; Chain, not made up into servicable articles, to January 1, 1925; Writing and typewriting paper (plain) not including duplicating in sheets not less than 16 x 13 inches, to July 1, 1925.

Aeroplanes and other aircraft, including balloons and parachutes, to January 1, 1925; Cordage, metal, including cordage of metal with core of other material. Except—Aluminium cable and iron and steel stranded wire cordage, galvanized or black, made of 9 or any lesser number of wires of gauges number 12 to 24, both gauges inclusive, with or without a metal or other core, to October 1, 1924.

Explosives: Cartridges; powder, sporting; wads for cartridges; caps, percussion; cartridges for military purposes; detonators; cartridge cases, empty, capped, or uncapped; fuse cotton; mining fuses, electrical, to January 1, 1925.

Vessels, trading intra-state or interstate, or otherwise employed in Australian waters for any continuous period of 3 months. Excepting vessels exceeding 500 tons gross register, ordered before June 30, 1925, to July 1, 1925.

Norway.—A proposed new tariff schedule calls for higher duties on pork, wool, butter, cheese, fruit, and vegetables, the increases ranging from 30 to 90 per cent. Only minor increases are contemplated for cotton yarn, flax and hemp, while the duty on electrical material and window glass is to be lowered.

Poland.—The new Polish tariff became effective at the end of June. It provides an increase in duty on wheat, flour, and manufactured foodstuffs and reductions on textiles, clothing, footwear, sole and upper leather, fertilizer, scrap iron, and paper.

British India.—The importation into British India of any goods manufactured in any place outside the British Empire and marked with the royal arms, or with arms so nearly resembling the same as to be calculated to deceive, is prohibited.

Italy.—The Italian government has postponed until December 31, the requirement for indelible marking of containers of canned fruits and vegetables. These regulations were due to be in force from July 1.

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BETTER OUTLOOK FOR MARCONI CO. SHAREHOLDERS

Radio Stations to be Built in Vancouver and Montreal

From Our Own Correspondent.

MONTREAL.—The outlook for shareholders of the Marconi Wireless Company of Canada is brighter following the receipt of word from England that radio stations are to be established near this city and Vancouver as links in the Empire wireless program, as the result of arrangements now being worked out between the British government, the Department of Marine and Fisheries of Canada, and the affiliated Marconi companies.

Heretofore this company has been unable to earn any substantial profits, and great hopes had been placed in pending arrangements for the establishing of an all-red chain of wireless stations around the Empire, the Canadian section of which would be operated by the Canadian Marconi. Therefore, with the announcement of the consummation of plans, although all details have not yet been completed, the situation begins to take on a much more promising attitude.

The new stations here and in Vancouver, which will likely be owned and operated by the Canadian Marconi, will be short wave or "beam" stations, and will have a guaranteed operating speed of 100 words per minute. They will cost approximately $300,000 each. Licenses have been already issued by the Department at Ottawa permitting the Marconi Company to proceed promptly with the work. There will also be a new station in England as a result of this arrangement, and it will be built by the English Marconi Company for the British government, the latter paying a percentage of the gross receipts to the Marconi Company in respect to patent royalties. The Marconi interests have accepted the principle put forward by the British government that the English super-station now in construction at Rugby must be state-owned and operated.

Public Control in Britain

The development of this new radio service in England has been entrusted by the British government to the post office department, and the following interesting editorial in this connection appeared in one of the London papers. It is quoted in part:

Wireless development is now to be entrusted to the Post Office and the Marconi Company, working side by side, the company responsible for foreign and the Post Office for Imperial connections. It is a grave decision which makes the Post Office responsible in the stage of construction and development, especially when the invention it is handling is still in the fluid state. The risk is that it will stereotype a system which science will shortly render obsolete and uneconomic, even if we make the large assumption that the department, reconstituted for the purpose, is competent to give us—nothing less will serve—a more complete establishment that any other country possesses."

The career of the Canadian Marconi Company has been a checkered one, and news of the amicable completion of the above arrangements is the first bright spot to illuminate the dark horizon of this firm's outlook in a long time. Last year the control of the Marconi Wireless Company of Canada was solidified in English hands when a large block of stock that had been held by the Canadian General Electric Corp. was sold to the Marconi Company of Great Britain. During the war the company was virtually under control of the Admiralty, and heavy claims for damages have not yet been settled. Up to the present there has been little certainty of dividends ahead of the shareholders, but, with the announcement of even partially completed plans for the erection of the Canadian stations, quotations for the stock may possibly go up slightly. Recent quotations have been from 70 cents to $1 a share, the par value being $2.50. Some time ago shares were quoted as low as 65 cents.

The Marconi Wireless Company of Canada operates ten stations on behalf of the Newfoundland government, and 22 stations in Eastern Canada and Newfoundland for the Canadian government. It also owns and operates two high-power stations at Glace Bay and Louisburg for transatlantic service. In addition, it has a factory in this city for the manufacture of wireless apparatus, radio sets, etc., which has been providing a large portion of its income recently.

NET EARNINGS OF TWO RAILWAYS FOR 6 MOS. ARE HIGHER

C.N.R. Earnings and Operating Expenses Both Show Decline

Net earnings of the C. N. R. and C. P. R., Canada's two railways, show substantial increases for the first six months of 1924, as compared with the same period of 1923. C. N. R. increase totals $1,038,073, and the C. P. R. $823,724.

The figures show a different position for each road. C. N. R. gross earnings decreased approximately $1,052,000, but the fall in operating costs was much greater, $2,090,000, with the result that net earnings amounted to $2,629,430, as compared with $1,591,357.

C. P. R. gross earnings advanced $3,800,000, but the operating expense also mounted to an increase just under $3,000,000. June figures show the gross of C. P. R. were exceeded only by June, 1920, while the net is the largest since June, 1921. The six months' net is also the largest since 1921, but does not compare at all with years prior, being nearly $9,000,000 below 1913. Gross, however, is the largest since 1920, which was the record, $92,057,586.

Both railways had a decline in April and May, the C. N. R. drop being $1,500,000 in gross for May. For June the C. N. R. improvement resulted in a smaller decrease, as compared with 1923 The falling off in gross is said to be due to decline in freight traffic in Eastern Canada and United States.

C. P. R. June figures show a small increase over June, 1923. The figures::

C. N. R.

May	1924	1923	Inc. or Dec.
Gross earng.	19,350,770	20,852,460	*1,501,690
Optg. exp. .	19,606,092	18,944,043	662,048
Net def. ...	255,322	1,908,416	*2,163,739
June			
Gross	19,678,067	20,316,914	*638,847
Optg. exp. .	20,604,449	19,184,745	1,419,704
Net def. ...	926,382	1,132,169	*2,058,552
6 Mos.			
Gross	114,862,558	116,914,550	*1,051,992
Optg. exp. .	112,233,128	114,323,194	*2,090,065
Net inc. ..	2,629,429	1,591,356	1,038,073

*Decrease.

C. P. R.

June	1924	1923	Inc.
Gross	$15,135,633	$14,943,918	$191,714
Oper. exp..	12,675,983	12,521,917	154,065
Net	$ 2,459,649	$ 2,422,000	$ 37,648
6 Mos.			
Gross	$84,656,917	$80,845,493	$3,811,422
Oper. exp..	74,266,832	71,279,132	2,987,699
Net	$10,390,084	$ 9,566,360	$ 823,724

New Steel Company Issues a Statement

Steel consolidated which took over the L. R. Steel holdings from the receiver has issued a statement to shareholders following the completion of their organization. The company has nine properties occupied by chain stores; six real properties held as investments and 20 leaseholds of which 19 are now occupied by Steel's Consolidated stores.

Officers and directors of Steel's Consolidated, Ltd. (of Canada): Walter M. Wilkins, Buffalo, N.Y., president; John G. Gowans, Toronto, Ont., vice-president and general manager; Matthew Hansen, Grand Rapids, Mich., vice-president in charge of real estate; Charles H. MacKenzie, Toronto, Ont., secretary-treasurer.

The statement shows, cash, $100,000; accounts receivable $50,000,000 and merchandise $569,652, completes the liquid assets, total $719,652. Investments are composed of 4 old Steel ventures, candy factory, sugar plantation, Produce Corp. and coal mine, $890,000. Fixed assets are given at $3,889,657 and goodwill $2,500,000. Mortgages outstanding total $1,252,729, while the capital stock is given as follows:

Convertible debentures, 1929	$1,500,000
Preferred stock	2,000,000
Class "A" common, par $20 ..	2,500,000
Class "B"	....
Surplus	783,330
	$6,783,330

Debentures, preferred and "Class B" common to be issued to L. R. Steel Stockholders Protective Trust.

CANADIAN WESTERN LUMBER

The Canadian Western Lumber Company, which includes the Columbia River Lumber Company, reports sales of lumber during the month of May amounting to 9,841,576 feet, compared with 9,587,580 feet in May, 1923, while the price realized was $247,310 as against $279,484 last year. The aggregate sales of lumber from January 1 to May 31 stood at 48,693,483 feet as compared with 49,788,019 feet for the corresponding period in 1923, the price realized being $1,317,878 against $1,399,667 last year.

News and Views for Investors

STOCKS PASSING FROM STRONG TO WEAK HANDS NOW

Broker Holds This is a Danger in Marked Recessions

CHANGES ARE FEW

Only Twelve Canadian Stocks Underwent Price Changes of Greater Than Point in Week

The so-called "bull movement" on the Canadian markets, said to be a reflection of the activity at New York, seems to have passed out for the present at least. The past week saw a typical mid-summer or holiday market. Neglect was in evidence on every hand. The volume of trading was small and price movements on a narrow margin. In all only 12 of 166 stocks experienced price changes of a point or more, 8 were gains and 4 losses while the total price changes, mostly fractions, totalled 38, with nore than half these losses. The big bulk of the 128 idle issues did not figure in transactions at all. Utility and Traction issues seem to have saved the day for the market for without these movements the market would have been a great deal worse. Three power and three traction issues stood out prominently. Brazilian was the market feature. There was considerable selling earlier, many getting nervous owing to the prolonging of the revolution in vicinity of Sao Paulo while towards the end of the week confidence seems to have returned in a measure and there was a consequent rise in the bidding for the shares.

Brokers still retain considerable of their optimism. They see many reasons for cheap money prevailing for some time yet. They make the point that it was prevalence of cheap money which was responsible for the starting of the present upward swing and this was helped along by predictions of better business in the fall. One trader makes a point worth considering. He suggests that a movement like the present is not to be considered a real opportunity for speculative investment. He believes that in such a market stocks are passing from strong hands to weak and therein lies a danger, especially when recessions might be expected Reactions are always to be expected in a bull market just the same as temporary halts are experienced in a bear movement. A break of any proportions with stocks in weak hands, might be a point of danger.

Nevertheless some good houses expect the cheap money influence to continue to pull the market along. Bache Review says:

"Ease in money, remarkable rebound in agricultural prices, absence, at least temporarily, of political agitation—all these are contributing to make an increasingly active stock market on the up side. But the most important of these factors—the continuing supply of idle funds for investment, which has from the start been the foundation for an advance, and the fact that a protracted era of easy money is in prospect—make for belief that the bull market is good for a long pull."

Moody's says the market situation is logical enough, adding:

"With interest rates continuing low and with the wave of optimism which is being created by the outlook for a successful settlement of the European problem, and with the more constructive prospects in domestic politics, a far-reaching return of confidence is naturally first reflected in Wall Street."

The market trend in Canada for the past week is shown as follows:

	Gains	Losses	Unch.	Total
Banks	3	3	5	11
Paper	0	3	10	13
Steel	1	4	15	20
Milling	2	1	8	11
Utilities	4	3	7	14
Traction	2	2	15	19
Textiles	1	0	13	14
Industrials	5	4	55	64
	18	20	128	166

Domestic Consumption of Sugar Increases

From Our Own Correspondent

MONTREAL.—Figures just released by the Dominion Bureau of Statistics regarding the Canadian sugar industry for the four-weeks' period ending July 12 show that there was some considerable increase in the domestic consumption of sugar in Canada during that time over the corresponding period of last year, thus continuing the increase which developed in the previous four weeks.

Shipments for domestic consumption in the four weeks ending July 12 totalled 82,804,032 pounds, as compared to 68,002,886 pounds last year, an increase of 14,186,146 pounds. An increase of almost relatively similar size is shown in the report for domestic consumption since the first of the year. Total shipments for this purpose from January 1 to July 12 amounted to 388,189,997 pounds, as against 371,465,020 pounds during the same period of 1923.

On the other hand, a slight decrease is shown in the figures for export shipments, although it is not as large as was the decrease for the preceding four-weeks' period. In the four weeks ending July 12 but 6,757,510 pounds were exported, whereas last year the figures were 8,837,428 pounds. That this decrease is not peculiar to this four-week period may be judged by the figures for total exports of the year to date, which show as only 66,651,137 pounds, compared to last year's exports for the same period of 117,158,183 pounds.

Only Debt of Goodyear is Delayed Dividends

The recent rumor that Goodyear Tire of Canada was considering some refinancing plans which would mean the issuing of a new preferred to replace the present and also take care of the arrears of preferred dividends, is most emphatically denied by Vice-Pres. and Gen-Man. C. H. Carlisle. The position of the company as it stands to-day would indicate the foolishness of such a report. It is quite strong. It has no bond, mortgage or bank indebtedness. It is not registered under Section 88 of the Bank Act, whereby companies borrow on warehouse receipts. It has no unpaid bills on which the discount is due, and owes no notes. Liquid assets are around $5,000,000, and there is a reserve of $2,000,000, and a surplus of $1,500,000. The only expenses outstanding are six dividends on the preferred stock. Mr. Carlisle says there are reasons why this is not paid at present.

Pulp and Paper

LOOK FOR MANY PAPER PRODUCERS TO GIVE UP FIGHT

Will Leave Canadian Mills in Better Shape to Make Money

From Our Own Correspondent.

MONTREAL.—Investors in the newsprint stocks who are inclined to feel a bit downhearted at the drop in newsprint prices should remember that a permanent scaling down of newsprint prices is hardly to be expected. With the depletion of the forests it would not be surprising to see a gradual increase in the price of newsprint. Even such a large and careful buyer of paper as Hearst foresees much higher newsprint prices in time, and higher prices for papers—five-cent dailies and ten-cent weeklies.

The present situation is one of adjustment, The mills that are cutting prices now to get business are in many cases mills that will eventually have to drop out of the manufacture of newsprint, because they are not modern or efficient. Economists call these the "marginal" mills. It is important that these are largely American and foreign mills; not Canadian mills.

This subject is touched on in an article in the "Paper Trade Journal," and because it strikes home so closely to the shareholders in the Canadian newsprint companies the article is reproduced herewith in part:

"There is no denying the fact that a readjustment is taking place in the paper industry, due primarily to two factors: First, the increasing shortage of wood supply with the consequent isolation of some mills from wood resources; and second, keener competition, both from domestic and foreign paper manufacturers.

"The result of these shifting conditions is that some mills are finding it increasingly difficult to make a fair margin of profit. Such mills can be called 'Marginal Mills' and are so called by modern economists.

"In some instances these mills will have to turn to manufacture other grades of paper to adjust themselves to changing conditions. This readjustment is very severe on the manufacturers concerned and no doubt is a great hardship. It is therefore well to remember that similar readjustments have been made in the past and not only has this industry recovered, but has grown to an amazing extent.

"In discussing this question with one of the leading manufactures in this industry who has been manufacturing paper all his life time, he said, 'There is nothing new in the present readjustment. I remember when the manufacture of newsprint paper was confined to a few mills in New York State. Then suddenly the situation changed because of the adoption of ground wood, and the newsprint industry shifted to Maine. It was necessary for the mills who had previously been making newsprint to turn to other grades of paper, which in most instances they did successfully. Now it seems that another readjustment has taken place and that some of us will be compelled to shift a second time to new grades of paper which we can manufacture at a profit. However, I see nothing fundamentally disastrous in such a necessity to change the product of a few mills, and if necessity arises in our own company, we will do what is required. We may not like it, but we will do it and, I believe, accomplish it successfully.'

"Another manufacture in speaking on this same subject said, 'In my own case, I have spent practically all my life in making paper, and I now find that the margin of profit is extremely small. In spite of this, however, I am convinced that the paper industry is fundamentally sound because we manufacture a necessity which is becoming more and more essential in the daily lives of millions of people. It is, therefore, my conviction that if we hold on and sit tight, adapting our mills to changing conditions, and cutting down waste, and using modern methods both at manufacture and sales, the time is not far distant when we will be once more on solid ground.'

"In spite of these conditions due to low prices made by 'Marginal Mills' desiring to get business almost at any price, the fundamental conditions in the paper industry are sound. This, perhaps, will not seem very heartening to a manufacturer who must meet what he considers ruinous competition, but it is a wholesome fact which should be remembered when discussing present conditions in this industry."

St. Stephen Paper Mill Not to go Ahead This Year

Boston offices of Hollingsworth and Whitney Co. this week authorized the statement that no immediate construction may be expected at Calais, Me., and St. Stephen, N. B., the latter town being directly across the St. Croix river from the former. Over a year ago these famous papermakers acquired substantial acreage on both sides of the river in New Brunswick and Maine at these points, which includes valuable power sites. They also bought up important timberland holdings in New Brunswick and Nova Scotia. H. E. Fales and M. L. Madden, treasurer and vice-resident, respectively, declare that while soundings have been made in the river by company engineers, and complete surveys made, no construction has been planned as yet. The company is at present engaged in clearing its titles to the land in question, over which considerable technical difficulty has arisen owing to the international character of the site. Negotiations have been rendered necessary with federal governments of the United States and Canada as well as with state and provincial governmental officials.

WHALEN PULP

Alex. Maclaren, of Buckingham, Que., who is well known in lumber and pulpwood interests, is in the West at the present time and recently paid a visit to Vancouver. It is understood that he is making a survey of the Whalen Pulp and Paper Company's interests for the bondholders in the East. Mr. Maclaren was chosen by the financiers because of his expert knowledge of conditions in British Columbia, and his reliability. Bondholders and debenture owners are getting together in the East and as a result of a desire for co-operation on the part of the two bodies now controlling the Whalen Company, Mr. Maclaren journeyed west to make a report on the Western situation.

PORT ALFRED PULP

J. H. Gundy, of Wood, Gundy & Co., Toronto, who has spent a good deal of time in Montreal lately in connection with the reorganization and purchase of the Bay Sulphite plant by the Port Alfred Pulp & Paper Co., is now on a tour of inspection of the company's plant. The Port Alfred Co., is capitalized at 630,000 shares of common stock of no par value, and as stated recently, will have the same funded debt as the Bay Sulphite Co. of $4,000,000. In addition, the company is authorized to issue $3,000,000 of debentures, of which $1,500,000 will be presently issued to provide working capital. It is believed the company has entered on an era of prosperity owing to the improvement in the pulp trade. Provision has been made for the installation of newsprint machines when the proper time comes.

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DROP IN PRICES CUT CONSTRUCTION VALUE

The drop of 22 per cent. in the total construction work undertaken in Canada during the first six months of this year is not as serious as it would at first indicate. In the first place the comparison is with last year, which exceeded any year since 1914 in the amount of contracts awarded during the first six months. At the end of the year the grand total, however, was less than 1922. As compared with 1922 we are only 4.1 per cent. below in the totals for 7 months, and 1922 proved eventually to be the biggest year in a decade.

Secondly, big building years are usually caused by big building and engineering projects. A few such in various parts of Canada would quickly reverse the present showing. This spring has not seen many large projects started, and by the law of averages we should get them in the fall. The Dominion government in the last few weeks has passed bills authorizing several public works of magnitude, which, when started, will take up the slack in unemployment. The railway board has ordered improvements which together with branch-line construction will make the railroads heavy purchasers of labor and material.

Thirdly, the same amount in dollars and cents cannot be expected when prices have declined, even though the buildings erected have the same cubic area. It is a well known fact that prices have declined this year to a greater extent than is indicated by the government index figures. Brick and lumber are down.

Iron and Steel

CHEAP IMPORTS OF STEEL FORCE BESCO TO CLOSE PLANT

Belgium and France Sold Enough in Canada to Keep Big Plant Going

From Our Own Correspondent.

SYDNEY.—Tariff changes affecting depreciated foreign currencies are principally to blame for enforced closing down of the Sydney steel plant for 90 days, according to President R. M. Wolvin, of Besco. After pointing out the general and severe depression in the steel industry, and that the Besco mills have finished all available orders, and have made ample provisions for stock, the president continues:

"The increased cost of coal in Cape Breton makes the cost of producing iron and steel at Sydney higher than the prices at which Canadian consumers can buy steel products from Belgium and France, delivered with customs duties paid. Action by the government in properly adjusting the customs tariff on imported steel, so as to give this industry and Canadian labor the same percentage of protection that it enjoyed before the war, would result in keeping the steel plant in practically full operation; particularly our rod mill would have made the rods that have been imported in large quantities this year."

Mr. Wolvin sees a prospect of keeping one furnace going for foundry pig, and some activity in the rail and wire departments.

While the shut-down is no doubt dictated by necessity, the corporation is simultaneously taking advantage of the situation to further reduce the overhead by drastic cuts in the ranks of officialdom generally, and of the rank and file in certain departments.

A wage cut of 10 to 25 per cent. for all salaried men is announced. Higher-salaried officials lose one-quarter of their pay, the ten per cent. reduction being applicable to clerks. Between these two extremes, officials and office employees are reduced according to their years. Officials at the general office state that the reduction will be in force while the present depression lasts, and it is understood that the former salaries will be restored when times get better. The salary cut will affect every official of the British Empire Steel Corporation in Nova Scotia, including those employed at the Halifax shipyards and the Trenton and New Glasgow plants, as well as Cape Breton officialdom.

MOLYBDENUM MINES MAY SOON REOPEN

Demand for New Metal in Steel Work Likely to Result in Operations Resuming

Canada has many production records to her credit and this is especially so in the mineral field. The world's largest amber mica, plumbago, nickel, asbestos and other mines are situated in Canada, while during the war many other minerals were in such great demand that individual mines overcame all handicaps and met the acute needs with a promptness that was of very material help in providing war materials. One of these latter minerals was molybdenite, the sulphide of molybdenum of which there was no production in Canada before the war. The metal, molybdenum, finds its greatest use as an alloy for steel, which it strengthens and consequently reduces the weight required. In electrical work molybdenum replaces platinum to a large extent at a much reduced cost. It is extensively used in radio work.

War demand led to the active development of the better-known deposits and the systematic prospecting of numerous occurrences of the mineral. The close of the war quickly cut off the market that had been developed and left large supplies of the mineral on the hands of mineral brokers and consumers in England. Prices at once declined and Canadian operations ceased. In the peak year of 1918, Canada became the second largest producer of molybdenite. Most of the output came from a deposit near Quyon, on the Ottawa River in Quebec, about 30 miles west of Ottawa. This mine for some time was the world's largest producer. Since the war many experiments have been made in the making and testing of commercial molybdenum steels. These have proved the value of low molybdenum alloy steels, a fraction of one per cent. of the metal being used for structural and engineering purposes where great stresses and strains are involved.

The export demand for molybdenum is reported to have improved to such an extent as to warrant the reopening recently of the Quyon mine. Enquiries are being received from the United States and Europe for supplies. The concentrates from the above mine range from 90 to 96 per cent. molybdenite, while what is recognized as standard and the grade upon which the market price is based in New York at 85 per cent. The increasing number of commercial uses being found for molybdenum as a result of research and investigation may be expected to create a greater demand for the metal and a more general mining of molybdenite throughout Canada to meet the demand.

CONTROL MONTREAL TRAM

MONTREAL.—Julian C. Smith, president of United Securities, states that the United Securities possesses control of the Montreal Tramways and Power Company, with an ample margin of stock, and that additional large amounts of stock would be transferred prior to noon, Aug. 1, when the offer of the United Securities Company expires. Financial Service estimates that 96,000 of a possible 175,778 shares have been exchanged.

Too Many Strings to Hudson's Bay Ry. Offer

Westerners who are urging that Hudson's Bay Railway be completed do not take kindly to the offer recently made by a New York syndicate. They would pay $1 for the road and complete it in two years. The contention is that there are too many strings to the offer. These were as follows:

(1) That the government is to sell the Hudsons' Bay line as it now stands for $1.

(2) That the government shall lease the harbor improvements at Port Nelson and all other ports for $1.

(3) That no other company be allowed to build in the territory for the next twenty-one years.

(4) That 10,000 square miles adjacent to the railway be set apart for settlement and that as each settler locates full title be given.

(5) The company to be empowered to construct branch lines towards Winnipeg and the States and also to the Pacific coast.

(6) Mineral rights for ten miles on each side of the road to be allowed.

The company undertakes:

(1) To put up a $20,000,000 bond for specific performance of the contract.

(2) To complete the road and Nelson harbor and operate the entire line within two years.

(3) To spend $4,000,000 on harbor works and elevators.

(4) To return the whole property to the Government at the end of twenty-five years if interest were paid on the outlay.

INVESTIGATIONS INTO STRENGTH OF TIMBERS

Laboratories Determine Effect of Rate of Growth in Commercial Woods

The effect of the rate of growth on the strength of Canadian woods has been the subject of investigation at the Forest Products Laboratories of the Forestry Branch, Department of the Interior, within the past year and considerable new knowledge has been secured.

The fact that rate of growth exercises an important influence on the mechanical properties of timber had been brought to light by previous research. It was known that in softwoods, such as pine and spruce, slowly grown material tended to be stronger than of very rapid growth, and that in the so-called ring-porous hardwoods, such as ash and oak, the reverse was true, slowly grown wood being inferior in strength to that of more rapid growth.

Analysis of the results of many thousands of strength tests, made at the laboratories, has now enabled the investigators to go a step further and to determine definitely the rates of growth at which maximum strength is developed in a number of the important commercial woods of Canada. This information finds practical application in a large number of uses of wood in which the strength of the material is a primary consideration

BUSINESS ABSORBS PRICE INCREASE IN FARM IMPLEMENTS

(Continued from page 1)

exported, means that the purchasing power of the country at large will benefit rather than any one group. It is not a case of transferring, but actually increasing the buying power. At the same time, the farmer is placed in a better working position.

Assuming the operating efficiency of the railroads to be a fairly fixed quantity, the upward trend in the earnings of both roads is an indication of gradually improving conditions. While the Canadian National earnings declined during May and June, and while the gross earnings for the first half year were somewhat below the corresponding period last year, reduced operating expenses allowed for a slight increase in net earnings of $1,038,000. Gross earnings of the Canadian Pacific for the first half year were the largest for any corresponding period since 1920, and net earnings also showed a quite substantial increase.

In the industrial field, although the British Empire Steel Corporation has announced a ninety-day tie-up to become effective August 9, one of the furnaces of the Algoma Steel Corporation is operating to turn out steel for merchant mills which started rolling July 28, for an indefinite period. Steady work is reported from the Steel Company of Canada at Hamilton, where all the mills are in operation, and one furnace is in blast. The steel markets showed fresh activity during the week, although sales were largely confined to seasonal requirements. Apart from these indications of slow improvement there is little prospect of an immediate termination of the period of comparative industrial inactivity which now exists. The spending of at least a portion of the Canadian National Railway loan for equipment will prove of some assistance.

Canada is vitally interested in Europe's recovery, and the very marked increase in the imports from Canada of certain countries of central and northern Europe, during the first half of the year, indicates an increase in purchasing power which Canadian firms have been anxiously awaiting, and of which many are taking due advantage.

Textiles

PURCHASED SIXTY PER CENT. OF WOOL CLIP OF PRAIRIES

Dominion Combing Mills Heavy Buyer in Western Canada

Dominion Combing Mills has purchased about 60 per cent. of the Western Canada wool clip this year, in all somewhere between 500,000 and 750,000 pounds. The prevailing prices have been quite a bit above the last year or so. Payments by the company have been in cash, they outbidding the Co-Operative which in the past secured the bulk of the clip. This is the first time the Canadian clip has been sold for combing in Canada.

The company states that the wool of the prairies is of high-grade and compared favorably with the best Australian wools. A great deal of wool has been purchased from Mormons and Mennonites. This week 15 cars with 20,000 to 25,000 lbs. to the car, were shipped by Mormons from Cardston, Alta. In regard the prices it is said that some wools netted farmers 30 cents a pound "in the grease" which, when scoured, means a shrinkage of about 60 per cent. or a price of around 90 cents.

The Dominion Combing Mills Co. report the factory operating steadily. A favorable sign is that already half a dozen inquiries for goods have been received. These do not generally come along until on in August so that the company takes this fact to be an indication that a big fall business is to be expected.

More Woollen Products and Less Raw Materials

According to the British government figures just out for the first five months of 1924, Canada has taken more woollen and worsted cloth than any other country in the world from the mills of Great Britain. The figures for January to May, inclusive, 1924, as compiled by the Canadian Woollen Manufacturers' Association, are:

Exports from Great Britain of woollen and worsted cloth to her best five customers:

	sq. yds.	population
To Canada	13,339,000	8,500,000
Japan	11,030,200	57,000,000
China	8,294,700	441,000,000
Australia	7,941,800	5,500,000
United States	7,724,400	117,000,000

These figures do not include damasks, tapestry and other furniture stuffs, wool and mohair plushes, flannels and delains, blankets, traveling rugs or carpets., etc.

These heavy imports of finished goods into Canada are reflected in the decrease of imports of raw material to be manufactured by our home mills. The figures for the first five months of 1923 and 1924 are, in lbs.:

Imports Into Canada From All Countries:

	1923	1924	decrease
Wool	11,160,000	7,930,000	3,230,000
Nails	661,779	219,351	442,428
Tops	3,746,371	2,992,565	853,806

While at the same time the re-export of foreign wool from Canada increased over three times in weight in the same period in 1924 over 1923.

WOULD AVOID STRIKE

Effort Being Made to Prevent Tie-Up of Wabana Iron Mines

SYDNEY.—Owing to the isolated location of the Wabana mines, little information has filtered through from Bell Island as to the progress of the labor troubles there. At last reports, strong efforts were being made by the Newfoundland government to prevent a strike. Hard times have gripped the colony to such an extent that everybody is interested in making the most of every available source of employment.

BRADFORD WOOL EXPORTS

WASHINGTON. — Declared exports from the Bradford, England, district to the United States show a decline in practically all wool classifications from last year, according to Consul Lee.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	.04	.07
Can. Westinghouse, pref.	132	136
Can. Marconi	.70	..
Cockshutt Plow, 7% pref.	23	28
Collingwood Shipbuilding, com.	47	53
Cosgrave	5	6
Dom. Power, pref.	94½	..
Dom. Power, com.	37	39
Dunlop Tire 7% pref.	80	..
Durant Motors (A)	5½	..
Durant Motors (B)	5½	..
Durant Motors (C)	8½	..
Dom. Sewer Pipe com	27	30
English Elec., com.	4½	..
English Elec., pref.	46	47½
Famous Players, pref. 50% com	71	72½
Gunns, Ltd., pref.	32	35
Hamilton Pantages, pref.	45	..
Hamilton Pantages, com.	1	2
King Ed. Cons. deb. A	56	..
King Ed. Cons. deb. B	32	..
K. & S. Tire, com.	..	50
K. & S. Tire, pref.	..	14
Loew's Buffalo, com.	80	1.20
Loew's Hamilton, pref.	45	..
Loew's London, pref.	4	..
Loew's Ottawa, pref.	20	22½
Loew's Toronto, pref.	..	64
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	25	30
Mount Royal Hotel, com.	7½	9
Mount Royal Hotel, pref.	48	50
North Mexico Power, com.	17	19
Robt. Simpson, pref. 6%	91	93
Dom. Comb. Mills (1 pref 2 com)	40	60
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	20	25
Can. Mortgage	54	60
Continental Life	25	31
Crown Life	98	..
Excelsior Life	31½	..
Great West Life	220	..
London Loan	44	48
Manufacturers Life	55	58
Mercantile Trust	99½	100½
Monarch Life, 10% pd.	12	14
National Life $25 pd.	50	..
Ontario Equitable	..	17
Peoples Loan	70	..
Sovereign Life	17	25
Sun Life 50% pd.	175	..
Sun Life 35% pd.	135	..
Sterling Bank	89½	92
Trusts & Guar.	66	70

CANADA STEAMSHIPS

A golf course, to cost $150,000, is now under construction at Murray Bay and, although it will not be completed for another year, it is expected that when completed it will be one of the finest courses in Eastern Canada. The work has not yet progressed very far, but workmen are engaged in cleaning up the land and ploughing it preparatory to its being laid out by a golf architect.

The first nine holes of the course will be ready for play by July, of 1925, and the remainder of the course will be finished later in the same year. When completed the course will be of championship length and calibre, and it is expected that both professional and amateur organizations of Canada will be invited to hold championships there at some time in the future. The links are being built by the Canada Steamships Company, which operates the Manor Richelieu, at Murray Bay.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JULY 29

	Div. Rate	Yield July 28	High For wk.	Low For wk.	Close July 29	Close July 22	Sales For wk.	Range 1924 High	Low
Banks—									
Commerce	12	6.59	182½	182	182½	182	104	188	178
Dominion	12	6.78	177	176¾	176¾	177	11	187	176¾
Hochelaga	10	6.89	145	145	145	145	16	150½	143
Imperial	12	7.01	172	171	171	172	55	179	169
Molsons	12	8.10	148¼	147	147	148	36	159½	147
Montreal	12	5.00	240⅛	240	240	240	77	248	230
Nova Scotia	16	6.40	250	249½	250	250¾	67	260	248
Royal	12	5.52	217	216	216½	215½	68	218	211
Standard	12	7.66	157	157	157	156½	1	168	156½
Toronto	12	6.85	175	175	175	175	82	179	169
Union	8	7.84	103	102	102	102¾	48	109¼	100
Paper—									
Abitibi, com.	4.00	7.01	58	56	56¾	56½	905	69	54
do pref.	7	7.05	..	..	..	..	..	105½	98¾
Brompton Pulp	..	..	32	31¼	31¼	32	340	43	29
Laurentide	6	7.05	85	85	85	85¾	530	98½	84¾
Price Bros.	2	4.87	41	41	41	41	155	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	100	83
do pref.	7	7.56	..	..	..	..	..	97½	90
Smith, Howard, com.	4	10.00	40	40	40	40	245	75	40
do pref.	8	8.79	91	91	91	91	3	100	90
Spanish River, com.	7	6.79	106¼	104¼	105	106	1177	114¾	96
do pref.	7	6.19	..	..	..	..	..	119½	110
St. Maurice Paper	6	6.89	87	87	87	87	200	113¾	85
Wayagamack	..	..	..	..	..	..	..	45	32
Steel and Steel Industries—									
B. E. Steel, com.	..	..	2	2	2	2	90	6	2
do 1st. pref.	..	..	..	..	..	..	..	57½	33¾
do 2nd. pref.	..	..	8⅛	7½	7½	8¼	360	17	7
Can. Car & Foundry, com.	..	..	45	44½	44¾	45½	120	50	36½
do pref.	7+1¾	8.14	86½	85¾	86	86½	185	97	84½
Can. Foundries, com.	..	..	..	..	..	..	..	31	19½
do pref.	..	..	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.15	..	..	..	..	..	67	65
do pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	..	40½	40½	40½	40	15	81	40
Dominion Iron, pref.	..	..	..	..	..	..	..	57	31
Dominion Radiator	7	7.25	..	..	..	..	..	96½	94
Dominion Bridge	4	5.63	71	71	71	71	166	80	60
Dom. Steel Corp. pref.	..	..	39	39	39	39¾	40	73	39
N. S. Steel, pref.	..	..	..	..	..	..	..	68	68
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40¾
do pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	..	..	..	..	..	..	8	4½
do pref.	..	..	30⅛	30⅛	30⅛	30	55	30⅛	25½
Steel of Canada, com.	7	9.52	74½	72	73	74¼	635	83	69½
do pref.	7	6.82	104	102½	104	101½	35	105½	99½
Milling—									
Canada Bread, com.	4	5.06	79	79	79	78⅛	10	79½	63
do pref.	7	7.07	99	98½	99	98¼	55	100	95
Inter. Milling, pref.	7	7.48	93½	93½	93½	93½	21	96½	93
Lake of Woods, com.	12	6.59	181	181	181	181	25	182½	167
do pref.	7	5.90	118½	118½	118½	117¼	65	120	115½
Maple Leaf, com.	..	..	70	66	66	70	90	70	59
do pref.	7	7.60	..	..	..	..	..	95⅛	87
Ogilvie Flour, com.	12	3.87	..	..	..	..	..	320	304
do pref.	7	5.92	..	..	..	..	..	120¼	116
Shredded Wheat, com.	8+1	6.66	135	135	135	136	10	138	136
St. Law. Flour, com.	6	8.21	73	72	73	72	155	73	66
do pref.	7	7.77	90	90	90	90	2	91½	89
West. Can. Flour	8	7.84	..	..	..	..	..	105	98
Utilities—									
Bell Telephone	8	5.90	133½	132⅛	133	132½	443	133½	125
Consumers Gas	10	6.02	166⅛	166	166⅛	166	6	166⅛	159
Dom. Telegraph	6	6.81	44	44	44	43¾	28	44½	43
Kaministiquia	8	7.80	..	..	..	..	..	113½	102½
Mackay, com.	7	6.08	115¼	114½	114⅛	115	347	120¼	110¾
do pref.	4	5.99	68	66¾	67	67½	110	71½	65
Mexican Light, com.	..	..	..	..	..	..	..	20	18
do pref.	..	..	..	..	..	..	..	40	38
Montreal L. H. & Pr. Cons.	7	4.07	173½	171	171½	174	1092	176¼	140⅛
Montreal Telegraph	8	6.37	..	..	..	..	..	52¼	48
Ottawa L. H. & Pr.	6	7.18	83⅛	83¼	83½	83	15	86	81
Quebec Power, com.	..	..	79⅛	76	79¼	76	772	79⅛	64
do pref.	7	7.00	100	98	100	98	57	100	90
Shawinigan	7	5.38	130¼	129½	129⅛	130½	238	135½	118½
Southern Can. Power	1.00	..	67½	63½	66½	63	405	67½	51⅛
Transportation—									
Canadian Pacific Rly.	10	6.64	152	150	150	151½	209	154	147½
Canada Steamships, com.	..	..	10½	10½	10½	10½	25	16	10
do pref.	..	..	46¾	46½	46¾	47	326	52	41½
Tractions									
Barcelona	..	..	16⅛	16⅛	16⅛	15⅛	10	20	12⅛
Brazilian	4	8.42	48⅛	44¾	47¾	46½	9855	53⅛	41¾
Detroit Un. Rly.	..	..	30	30	30	30	618	72½	30
Duluth-Superior	..	..	25¾	25¾	25¾	25¾	80	35	19¾
Illinois Traction, com.	2	1.99	..	..	..	..	..	103	60
do pref.	6	6.45	..	..	..	..	..	94½	87
Montreal Trams	10	5.98	167	166	167	162½	155	170	148
Ottawa Traction	4	6.66	60	60	60	60	50	60	60
Porto Rico Rlys, com.	..	..	29	29	29	27	27	29	17
do pref.	7	9.09	77	76	77	76	36	77	66
Quebec Rly.	..	..	..	..	..	..	..	18½	14½
Toronto Railway	..	..	98¼	92¾	93	96½	1365	100	80
Twin City, com.	4	8.51	47¾	45	47¼	46¾	706	69	45
Winnipeg Elec. com.	..	..	34¾	31	34¼	32¾	193	34⅛	24
do pref.	7	8.69	81	80½	80½	80¾	90	85	74
Textiles—									
Can. Conn. Cotton, pref.	8	..	..	..	..	..	..	80	53⅛
Can. Converters	7	9.33	75	75	75	75	15	90	70
Can. Cottons, com.	8	8.33	96	96	96	97	15	111	85½
do pref.	6	6.66	90	89	89	88¾	15	91	86½
Can. Woollens, com.	..	..	..	..	..	..	..	7	6
do pref.	..	..	35	34¾	35	36	210	41½	34¾
Dom. Textile, com.	4.00	7.08	56½	56	56½	56½	680	66	53½
do pref.	7	6.45	108½	108½	108½	108½	25	109½	104¾
Monarch Knitting, com.	..	..	..	..	..	..	..	25	25
do pref.	7	10.29	..	..	..	..	..	82	65
Montreal, Cotton, com.	6	6.12	..	..	..	..	..	100¼	98
do pref.	7	6.60	106	106	106	106	75	107	104
Penmans, com.	8	5.40	148	145	148	143	110	165	134
do pref.	6	6.31	..	..	..	..	..	97	92
Wabasso Cotton	4.00	7.23	55	50	50	56	100	72	50
—General Industrials—									
American Salesbook, com.	5	..	38	38	38	38	16	47	38
do pref.	7	8.23	85	85	85	85	20	95	85
Asbestos, com.	..	..	..	..	..	..	..	35	19
do pref.	6	10.00	60	60	60	59	10	62	52
Atlantic Sugar, com.	..	..	16½	12	16½	11	460	21¾	11
do pref.	..	..	41	35	41	37	80	51	32½
Bird & Son, pref.	7	8.75	..	..	..	..	..	89	80
B. C. Fishing	..	..	..	..	..	..	..	18	8
Burt, F. N. com.	10	7.63	131	131	131	132	60	137⅛	125
do pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.97	86	85	86	84½	37	93	83½
do pref.	7	6.69	105	104	104	104¾	189	108	102¾
Can. Gen. Electric, com.	6	5.35	..	..	..	..	..	58½	52½
do pref.	7	6.58	53½	52¼	53½	53	17	54	51⅛
Can. Indust. Alcohol	10	..	31¼	30⅛	31⅛	31	3088	32⅛	26
Canadian Salt	8	7.14	112	112	112	112	175	115½	109
Carr. Factories, com.	..	..	..	..	..	..	..	2⅛	¾
do pref.	..	..	..	..	..	..	..	17	15
City Dairy, com.	3	..	56½	55	56	55½	270	56½	40¾
do pref.	7	6.48	..	..	..	..	..	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51⅛	46
Cuban Can. Sugar, com.	..	..	7¼	7	7½	6	55	13	6
do pref.	..	..	39	37½	39	34¼	90	54	33
Dom. Canners, com.	..	..	34½	34	34¼	35	186	35⅛	20¾
do pref.	7	7.82	89½	88	88	86½	21	90	82
Dominion Glass, com.	7	6.42	109¼	109	109	110	190	110	102¾
do pref.	7	6.65	105¼	105¼	105¼	106	10	107	103
Dominion Stores, com.	1.00	..	27	26	26	26½	7	30	24½
do pref.	8	8.88	90	90	90	90	4	92¾	81
Davies, Wm. (A)	..	..	..	..	..	..	..	20	15
Eastern Theatres, com.	..	..	14½	14½	14½	14⅛	100	14¾	12
do pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	..	450	450	450	485	2	485	450
Goodwins, com.	..	..	30	30	30	35	15	48½	17
do pref.	7	7.77	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.65	72½	72½	72½	72	9	81¾	71
Frontenac Brew. com.	..	..	72	70	72	70	375	72	60
do pref.	7	7.60	92	92	92	90¼	5	122	90
Holt Renfrew, pref.	7	..	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	..	..	..	..	..	..	21	21
Lyall Construction	..	..	13	13	13	10⅛	25	21	10½
Macdonald, A.	..	..	..	..	..	..	..	5	4
National Brew. com.	4.00	7.20	56	54	54	54⅛	3632	56¾	48½
do pref.	7	7.03	99½	99½	99½	99½	262	100	95
Pacific Burt, com.	6	6.15	..	..	..	..	..	101	94
do pref.	7	6.93	102	102	102	101	27	106	100
Port Hope Sanitary, com.	..	..	..	..	..	..	..	50½	49
do pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A. com.	..	..	54	54	54	50	11	70	45
do pref.	7+1¾	7.60	..	..	..	..	..	100	86
Russell Motor, com.	..	..	18	18	18	17½	10	18	17½
do pref.	7	14.00	50	50	50	50	5	56	48
Sherwin Williams, com.	6	5.08	119	115	119	115	625	119	100
do pref.	7	7.03	99¾	99½	99¾	99½	155	103	98½
Sterling Coal	4	10.00	40½	40	40	40⅛	5	44	40
Tooke Bros, pref.	..	..	..	..	..	..	..	40	38
Tuckett Tobacco, com.	4	6.89	58	58	58	60	10	64½	57
do pref.	7	7.36	95	95	95	94⅛	111	97	92½
Woods Manufacturing, com.	..	..	..	..	..	..	..	35	25
do pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.25	80	80	80	81	29	86	78¾
Can. Permanent	12	6.55	183¼	183¼	183¼	183	63	187	179
Colonial Invest.	6	..	..	..	..	..	..	7	4
Hamilton Prov.	10	6.89	..	..	..	..	..	146	141
Huron & Erie	7	5.69	123	123	123	122	6	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12	6.48	..	..	..	..	..	46¾	46¾
National Trust	12	5.66	..	..	..	..	..	215	210
Real Estate Loan	7	7.86	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	..	..	..	..	..	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85¾	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

Public Utilities

EXCHANGE PLAYED HAVOC WITH 1923 BRAZILIAN PROFIT

Despite Material Decline, Good Sum Added to Surplus After Meeting Charges

Brazilian's earnings in dollars for 1923 show a material decline as compared with 1922, due to the severe break in Milreis. The figures for 1923 were $6,717,941; 1922, $7,422,897. Compared with 1921 the total registers a material increase, the total for the year being $4,410,057. The figures cover the profits from subsidiaries. Investment and miscellaneous income, $792,517, brought the total net for 1923 up to $7,510,459, compared with $7,872,061 in 1922, a decline of $362,502.

Taking the income in Milreis, however, the figures tell a different story. It is one of progress, being a substantial growth in both gross and net earnings, indicating that the company's business is still making gains.

The revenue in Canadian currency follows:

	1923	1922
Revenue from S. A. subsidiaries	$6,717,941	$7,422,897
Other income	792,518	450,064
	7,510,459	7,872,961
Gen. expense	280,494	720,993
Amortization	300,000	300,000
Net revenue	$6,929,965	$6,851,968
Pref. div.	600,000	600,000
Common div.	4,262,477	2,151,511
Surplus	2,067,488	4,120,457
Bal. forward	6,840,270	2,719,813
Profit and Loss ...	$8,907,758	$6,840,270

In exchanging Milreis, the company in 1923 averaged 10.36 cents on milreis, compared with 13.09 in 1922, 12.5 in 1921, and 20.41 in 1920. This left gross earnings down from $25,506,420, in 1922, to $24,184,761 in 1923, representing a decrease of $1,321,659, or 5.18 per cent. As net earnings showed a decrease from $16,299,229 to $15,332,329, or $966,900, or 5.93 per cent.

The company during the year spent $2,544,851 on capital expenditure besides providing for the new power plant for Brazilian Hydro-Electric and of the surplus left after taking care of all charges, added $3,000,000 to general reserve. Renewal, amortization, and sinking fund reserves, total $31,779,690.

Pres. Alexander Mackenzie outlined quite a needed expansion program. To the tramways 2.3 miles were added, and 46.12 miles reconstructed; 50 cars and trailers are being built for Rio de Janeiro; 15 cars for Sao Paulo, along with 19 motor cars. Much new construction and extension is needed, but must wait higher fares.

Electric light and power service was materially enlarged. The new Brazilian development is badly needed. Gas and telephone systems were also enlarged. Development of the telephone service in the Federal district received a check, because a new municipal prefecture has attempted to have concessions made to the company annulled. The company is advised that the concessions should be upheld by the courts.

The president says of costs:

Continued depreciation of the milreis has led to a rise in the cost of living and, commencing in the latter part of the year, considerable increases in wages have been made which will be reflected in the expenses of the present year. These additional expenses have to be met without any increase in rates which, in the case of the tramways, are the same as those in force at the time the concessions were granted when all working expenses were a mere fraction of those which now have to be borne.

The municipal authorities of the cities of Rio de Janeiro and Sao Paulo have not yet taken any action towards conceding higher tramway fares, and until these are obtained the revenue will continue to be much less than that required for the reasonable remuneration of the large capital employed.

These cities are probably the only places of any importance in the world, in which tramway fares have not been increased in correspondence with increased working costs, and notwithstanding the indifference thus far shown by the authorities as to the need for higher fares, all expectation has not been abandoned of obtaining relief which will provide and permit the making of the large expenditure urgently required for additions and extensions to the service.

The report does not deal with the Sao Paulo uprising, as it was written before that outbreak occurred. The president expects to see better exchange rates prevail, because of the steps taken by the government to cut expenditure and increase revenue. He says there is much to justify optimism in regard to exchange, as business has been better, and the movement to balance the budget seems to be serious.

E. KOOTENAY POWER CONTROL TO CANADA

A. J. Nesbitt New Head of British Columbia Hydro-Electric Proposition

MONTREAL.—Stories to the effect that East Kootenay Power plans further bond issues for new construction find no official confirmation here. All that is going ahead at the moment is an issue of $750,000 of 7 per cent. cumulative preferred stock, which is offered at 97½ to yield over 7 per cent. The proceeds of this issue of stock will provide for the retirement of the present outstanding issue of $100,000 8 per cent. preferred stock; also for the meeting of bank loans and for the extension of the plant of the company.

The investment house of Nesbitt Thomson and Company has acquired the controlling interest in the East Kootenay Power Company from A. E. Appleyard of Minneapolis. At a meeting of the board held recently A. J. Nesbitt was elected president to succeed Mr. Appleyard, who, however, remains on the board. A. B. Sanborn was appointed general manager and K. S. Barnes, secretary-treasurer.

The company is spending a large amount of money in doubling the existing transmission system and other extensions and improvements to the property.

Earnings of the company are reported as being very satisfactory, showing improvement month by month, and as soon as the coal strike at Crow's Nest Pass is over, further material augmentation of earnings is expected.

JUDGMENT TWO MONTHS OFF

The latest advice from London is to the effect that the decision of the Privy Council in the Toronto Street Railway arbitration case is not to be expected until October.

Earnings of Brazilian Subsidiaries

Year ended December 31	1920	1921	1922	1923
Milreis average N.Y.	20.41 cents	12.51 cents	13.09 cents	10.36 cents
Gross Earnings, Operation	$26,929,203	$21,036,150	$25,506,420	$24,184,761
Net Earnings, Operation	$14,286,039	$11,898,523	$16,299,229	$15,332,329
Miscellaneous Revenue	458,576	270,150	118,022	87,635
Revenue, All Subsidiaries	$14,744,615	$12,168,673	$16,417,251	$15,419,964
Bond Interest, General Exp. other Charges	4,831,723	4,534,038	5,052,961	*4,654,983
Depreciation, Sinking Funds	2,876,068	3,224,578	3,941,393	4,047,040
Total Subsidiaries charges	$7,707,791	$7,758,616	$8,994,354	$8,702,023
Brazilian Traction, Revenue	$7,036,824	$4,410,057	$7,422,897	$6,717,941
Other Income	206,619	127,657	450,064	792,518
Gross Revenue	$7,243,443	$4,537,714	$7,872,961	$7,510,459
Administration, including interest on 3-year Gold Notes which matured November 1, 1922	$ 988,320	$1,000,033	$ 720,993	$ 280,494
Amortization	260,000	300,000	300,000	300,000
Total Charges	$1,248,320	$1,300,033	$1,020,993	$ 580,494
Net Revenue	$5,995,123	$3,237,681	$6,851,968	$6,929,965

Growth of Brazilian Enterprise

	1920	1921	1922	1923
Miles of Track	402.56	405.47	413.53	415.83
Equipment:				
Passenger Cars	893	936	937	951
Passenger Trailers	609	607	602	587
Freight Cars	143	149	147	147
Freight Trailers	154	153	155	139
Corcovado Locomotives	3	3	4	4
Corcovado Passenger Cars...	3	3	4	4
Corcovado Freight Cars......	2	2	2	2
Autobusses (electric)	7	7	7	7
Miles Run	42,067,672	43,586,042	44,618,420	46,197,145
Passengers carried	377,396,013	412,176,127	454,486,999	479,527,034
LIGHT AND POWER				
K.W. Hours Generated	441,821,962	460,062,130	512,624,586	564,219,325
Consumers—Light	127,644	137,310	145,920	156,813
Consumers—Power	5,498	6,028	6,668	7,375
Incandescent Lamps Private...	1,530,204	1,626,787	1,735,223	1,852,792
Incand. and Arc Lamps (Public)	16,014	17,194	19,380	20,179
Arc Lamps—Private	205	207	211	211
H. P. Motors—Consumers	160,805	179,345	196,852	207,245
H. P. Motors—C. Service	40,618	46,922	58,812	55,012
Rainfall—Inches:—				
Lages (Rio de Janeiro)	60.72	42.76	73.04	63.45
Parnahyba (Sao Paulo)	47.40	45.00	50.71	60.23
Sorocaba (Sao Paulo)	45.58	43.47	55.33	53.91
GAS				
Gas (Cubic Metres)*	62,840,826	65,359,000	68,332,900	68,950,800
Consumers	34,616	35,734	36,965	37,824
Street Lamps	*30,504	*30,604	*29,193	*28,703
Stoves, Water Heaters, etc. ...	49,530	51,118	52,668	54,298
TELEPHONES				
Telephones in Operation	65,367	67,862	71,514	74,359

Duluth Earnings Show a Material Decline

Duluth Railway earnings for the first six months of 1924 are materially lower than a year ago. The second quarter is responsible for this poor showing, a profit of $42,786 in the second quarter of 1923 being replaced with a deficit of $2,524 in 1924. Earnings, operating costs, and fuel charges were all down, but the decline in earnings was much the greater. The latter remarks apply also to the six-month total, the 1924 profit being $7,449, compared with $86,329 for 1923.

Barcelona Has Cut Par Value of Common to $50

Par value of Barcelona Traction common shares is now $50 instead of $100. This means a reduction in common outstanding of $13,500,000. The number of shares out will be the same. Recently a refinancing plan in regard to bonds reduced the outstanding funded debt by $20,000,000. Earnings of the company have improved of late. It is interesting to note that the proposal made to reduce bonds and the latest to reduce the common stock were both unanimously approved by the shareholders and bondholders.

Public Utility Earnings

TWIN CITY

2nd Quarter

	1924	1923	Per Cent. Inc. or Dec.
Gross	$3,132,667	$3,404,819	—07.99
Oper. exp.	2,278,489	2,370,468	—03.88
Net rev.	854,177	1,034,351	—17.42
Fixed chgs. and taxes	605,812	596,480	+01.56
Net income	248,365	437,870	—43.28

Six Months

	1924	1923	Per Cent. Inc. or Dec.
Gross	$6,635,454	$7,045,975	—05.83
Oper. exp.	4,803,094	4,921,567	—02.41
Net rev.	1,832,360	2,124,407	—13.75
Fixed chgs. and taxes	1,228,171	1,195,332	+02.75
Net income	604,189	929,074	—34.97

RAILWAY EARNINGS

Canadian Pacific Railway

Week end.	1924	1923	Change
July 21	$3,134,000	$3,254,000	—$ 120,000

Canadian National Railways

Week end.	1924	1923	Change
July 21	$4,451,237	$4,646,649	—$ 195,412
Jan. 1 to July 21	$128,314,908	$129,909,559	—$1,594,651

B. C. ELECTRIC RAILWAY

May	1923	1924	Increase
Gross earn.	$ 858,965	$ 890,952	$ 31,987
Exp., maintenance, etc.	637,894	664,639	26,745
Net income	$ 221,071	$ 226,313	$ 5,242
Aggreg. Gross from July 1 to May 31, 1924	$9,542,173	$9,895,802	$353,629
Aggreg. Net from July 1 to May 31, 1924	$2,824,812	$2,898,400	$ 73,588

MONTEREY RAILWAY, LIGHT

3 months to Mar., 1924	Gross	Exp., incl. prov. for renewals and obsolescence	Change
Railway, Light and Power	$180,847	$194,792	—$13,945
Waterworks and Sewage	49,703	35,974	+ 13,728
Total	$230,550	$230,767	—$ 216

The above earnings are calculated at the rate of two pesos to $1.

WINNIPEG ELECTRIC

May	1923	1924	Change
Gross	$ 429,915	$ 427,273	—$ 2,642
Expenses	301,586	321,019	+ 19,433
Net earn.	128,329	106,254	— 22,075
Aggre. Gross from Jan. 1 to end of May	2,341,671	2,313,990	— 27,681
Aggre. net from Jan. 1 to end of May	727,941	678,130	— 49,811

CANADIAN WESTERN GAS

	1923	1924	Change
October	$ 56,252	$ 59,028	+$ 2,776
November	99,096	96,570	— 2,526
December	125,990	105,110	— 20,880
January	107,765	148,965	+ 41,200
February	117,231	104,266	— 12,965
March	98,818	96,065	— 2,753
April	83,070	93,811	+ 10,741
May	53,331	56,197	+ 2,866
Aggreg. earnings from Oct. 1 to May 31	$741,553	$760,012	+$18,459

SOUTHERN CANADA POWER

	June, 1924	June, 1923	Increase
Gross	$ 81,986	$ 75,370	$ 6,616
Oper. exp. ..	39,549	34,397	5,152
Net earn.	$ 42,437	$ 40,973	$ 1,464

Ninth Month Period

	1924	1923	Increase
Gross	$784,551	$700,056	$84,495
Oper. exp. ..	353,040	310,027	43,013
Net earn. ..	$431,511	$390,029	$41,482

"SOO" LINE

	June, 1924	June, 1923
Total rev.	$ 2,106,661	$ 2,497,957
Total exp.	1,803,256	1,857,430
Net rev.	$ 303,406	$ 640,526
Taxes and uncollect. rev.	131,010	165,742
Net after taxes	$ 172,015	$ 474,784
Hire of equipment—Cr.	$ 59,278	$ 93,820
Rental of Terminals—Dr. ...	11,245	9,567
Net after ents..	$ 220,047	$ 559,038

For six months to	June 30, 1924	June 30, 1923
Total rev.	$11,453,964	$13,433,264
Total exp.	10,258,558	11,258,647
Net rev.	$ 1,195,405	$ 2,174,616
Tax. and uncollect. rev.	850,370	995,222
Hire of equipment—Cr.	$ 392,320	$ 682,645
Net after rents..	$ 674,721	$ 1,796,869

DULUTH-SUPERIOR TRACTION

	Second qtr. 1924	Second qtr. 1923
Gross rev.	xx$422,499	xx$487,347
Oper. exp.	352,476	369,462
Net rev.	$ 70,022	$117,884
Fixed chgs. & taxes	72,546	75,098
Net income	x$ 2,524	$ 42,786

For Six Month Period

	1924	1923
Gross rev.	xx$893,941	xx$1,000,762
Oper. exp.	740,112	764,243
Net rev.	$153,828	$ 236,519
Fixed chgs. & tax.	146,379	150,189
Net income	$ 7,449	$ 86,329

xx—Gross revenues for 1924 are here shown upon a six cent fare basis. For better comparison gross revenues for 1923 are here shown as adjusted to a six cent fare basis.

x—Decrease.

CAPE BRETON ELECTRIC EARNINGS

	May 1924	May 1923	Incr.
Gross	$ 55,856	$ 56,533	x$ 676
Opr. exp., txs.	44,551	48,397	x 3,845
Net earn.	$ 11,304	$ 8,136	$ 3,168
Int. chrgs. ...	5,654	5,618	35
Bal. for res. retire. and dividends ...	$ 5,650	$ 2,517	$ 3,132

12 Months Ending May:

	1924	1923	Incr.
Gross	$714,743	$665,869	$48,873
Opr. exp., txs.	574,715	566,705	8,009
Net earn.	$140,028	$ 99,164	$40,863
Int. chgs.	68,181	67,591	589
Bal. for res., retire. and dividends ...	$ 71,846	$ 31,572	$40,273

x—Decrease.

EAST KOOTENAY POWER

Gross earnings for the three months ending June, 1924, compare with those of the 1923 period as follows:

	1924	1923
Gross	$76,581	$38,190
Net	67,560	31,666

CANADA L. & P. DIRECTORS

Canada Light and Power has a new board with Julian C. Smith, president. The members are Julian C. Smith, Howard Murray, G. W. MacDougall, K.C., Geo. Montgomery, K.C., John S. Norris, and C. S. Bagg. Hon. J. L. Perron, Lorne C. Webster and W. G. Finley, three members of the old board, remain.

MANY SWEDES FOR CANADA

MONTREAL, Que.—Denied admittance to the United States by the new immigration law, Swedish immigrants are planning to go to Canada instead, according to local immigration officials. It is estimated that some 20,000 Swedes would have migrated to the States this year, but as only 9,500 will be admitted, it is expected that a large number of the balance will come to Canada.

Ames Holden Business is 100 Per Cent. Better

Ames Holden Tire made a creditable showing in the first half of the current fiscal year. Business has been 100 per cent. better than a year ago, and the deficit for the first half of 1923 has been replaced by a nice profit after meeting all charges. The company's tires are meeting with a good reception, as well as its lines of heavy rubber footwear. No action has been taken with regard to the payment of interest on income bonds, the directors having decided to conserve the company's working capital, which has improved substantially over a year ago. This interest is cumulative.

The Kootenays, British Columbia, are the principal source of zinc in Canada. There are workable deposits at Notre Dames des Anges, and in the Gaspe peninsula, Quebec.

The Cumulative Good Will of Nearly 70 Years

is one reason why each year adds its quota to the many thousands who avail themselves of Canada Permanent Safety and Canada Permanent Service.

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CANADA PERMANENT MORTGAGE CORPORATION

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AUTHORIZED CAPITAL - - $6,500,000

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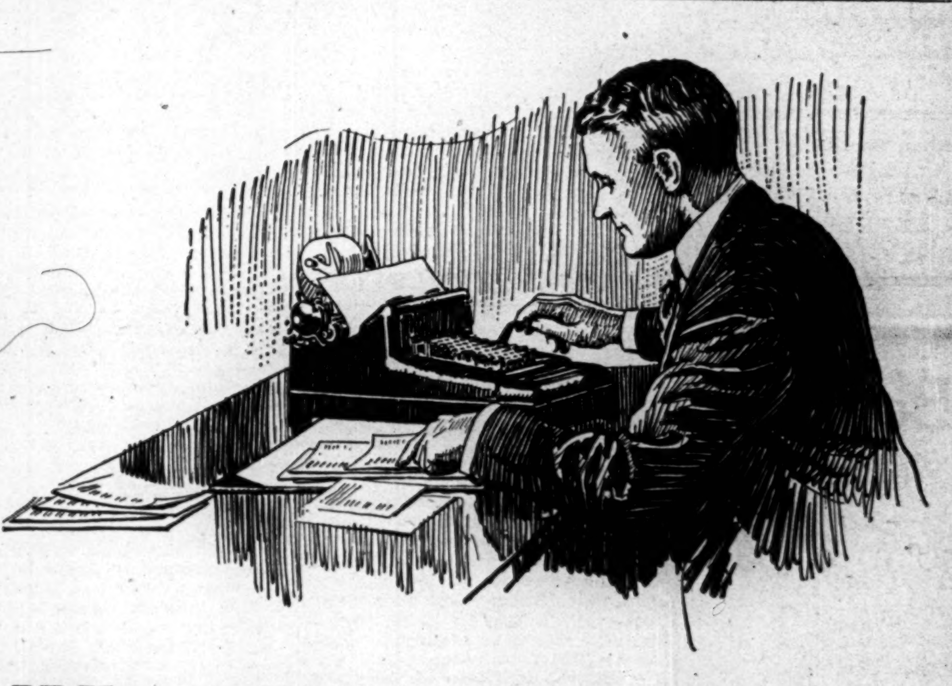

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DAILY CAPACITY 13,700 BARRELS

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WHITMONT - PORCUPINE
DISTRIBUTION OF PROFITS

Messrs. L. G. Harris and Company take pleasure in announcing that a distribution of profits will be made to shareholders of Whitmont-Porcupine Mines, Limited, on or about August 1st, 1924, payable through the Head Office of L. G. Harris and Company, to shareholders of record July 16th, 1924.

Reford Building, Toronto, July 28th, 1924. L. G. HARRIS AND COMPANY,

HAMILTON, 21 Main St., East. MONTREAL, Canada Cement Bldg. WINDSOR, 486 Ouellette Ave.

Sales of Live Stock Higher Than Last Year

The quantity of livestock sold in the various Canadian markets since the beginning of the year is still well ahead of the total at this time last year. The number of cattle and calves sold this year to date is 551,080, as against 49,220 at this time last year, an increase of 10 per cent. The number of hogs sold during the same period was 691,427, against 566,818 last year. Although the average price is lower in both cases this year, the difference is more than offset by the increase in volume of sales. In fact the total income realized by the farmer this year from livestock should be considerably above that for the same period of 1923.

Canada produces 88 per cent. of the world's asbestos supply, all from the mines of southern Quebec.

Pulp and Paper

THE MARITIMES WOULD BENEFIT FROM EMBARGO

Would Stem Emigration and Provide Higher Revenues

Special Correspondence.

WOODSTOCK, N. B.—The Atlantic provinces are supposed to be opposed to the imposition of an embargo on the export of unmanufactured pulpwood. Certainly the reported attitude of the Maritimes will bear some scrutiny; for it is the writer's opinion that it is anything but hostile to the proposed prohibitive measures, which are still a matter for discussion since the Royal Commission declined to make any recommendations.

The reasons why the people of the lower provinces should give their wholehearted support to legislation that would prevent their pulpwood being taken from them in the raw state, are becoming daily more evident to the man on the street here.

Contributing Blood to States

The exodus from the Maritimes has been alarming. It continues alarming. In fact it has in the course of the last few years attained a numerical volume never before imagined possible. From every city, town, and rural community the bulk of the Maritime's most energetic and ambitious young Canadians have been going to the United States "to work." There is no work at home. Even staunch young supporters of the Canadian militia units in these parts have been forced by economic circumstances to seek employment in the naval and military forces of the Republic. The development experienced by the Atlantic provinces simply has not been of sufficient moment to take care of the natural increase in population. And Bluenoses have merely the melancholy satisfaction of knowing that their youth will do well in a foreign country. But it is a bitter satisfaction, too, for that great contribution that Maritime youth makes and has ever made to the strength and wealth of the United States is sorely needed in these provinces. In common with the rest of Canada, the eastern end of the Dominion asks a development that will keep the flower of its manhood at home. And to this goal, the Maritimer thinks, a pulpwood embargo would contribute.

Would Give Industrial Impetus

A pulpwood embargo would lend a great impetus to the industrial expansion of the Atlantic provinces. Experience has taught us that if the Americans cannot have their pulpwood supplies carried to their mills they will establish their mills at the source of supply. This happened when British Columbia introduced the embargo with regard to the woods in the province's control. With a general embargo pulp and paper mills in sufficient numbers to take care of the Maritimes' annual cut would be erected here. New Brunswick would be particularly favored, for it has great wood resources, opportunities for water power and labor. The proposed development of water power at Grand Falls would prove a factor in bringing in the mills. Employment would then be given Maritime boys at home instead of in mills in a foreign country that draws its supplies of pulpwood in some measure from the Maritimes' wood resources.

Development is always geometrical. The new mills would breed other activities, subsidiary plants, increased business for wholesalers, retailers, professional men, and for all. All of which constitutes rather an attractive first reason why the Maritimer does not oppose an embargo.

Get Higher Revenues

Reason two is equally obvious. The forests of the Maritimes are slowly but steadily being depleted. Yet the provinces are receiving but a fraction of the gain that accrues from this destructive process. The farmer receives ten or twelve dollars for that one and a half cords of pulpwood that brings the American producer seventy-three dollars as a ton of newsprint paper. The law of compensation should be better observed. We are deliberately destroying a great natural resource, for which our grandchildren may suffer, for fifteen per cent. of the proceeds. If our forests must be destroyed, argues the Bluenose, the least that should be expected is that the people of the Atlantic provinces should receive all the compensation, all the profit, that there is in it. The Maritimes should carry on the finishing processes as well and receive the seventy-three dollars instead of the ten or twelve. The time when the Maritime provinces shall cease to contribute to the wealth of their republican neighbor that is already rich and powerful and shall concentrate on their own expansion should be no longer delayed.

The Maritimer favors the imposition of a pulpwood embargo because such will result in the establishment within the provinces of pulp and paper mills, which, in turn, will first, increase the provincial incomes and wealth, second, offer the people some substantial compensation for the loss of a great resource, and third, help to keep the youth at home to contribute to the well-being of the provinces. This may be considered a strong case.

Some Fears Expressed

What arguments are there against the embargo from the Maritime standpoint? Are there any sound arguments at all? There are fears, yes; but are they well founded? There is the farmer's very natural anxiety that with an embargo he would lose the market for his wood; and he truly needs the returns from the sale of his wood to swell the modest income on which he must support his family and himself. But would the farmer lose the market for his wood?

There is much capital both in the United States and Canada, the owners of which will readily place it in Canada at the first indication of a profitable investment. Many millions of American dollars and some millions of English pounds have already flowed into the Canadian pulp and paper industry. Nor is there any Canadian commercial investment in which the outside investors have more confidence and which is assured of a greater future. Many millions may be easily had for the expansion of this great industry of our country. Moreover, the same government that imposed the embargo would perform the most important complementary function of insuring the arrival of pounds and dollars in sufficient volume to establish all the finished products plants that our pulpwood cut justifies. There would be no trouble about capital. Nor is it a long process in these days of efficiency to erect mills and the like. It is a matter of weeks only. The demand for newsprint would not then alter. The scarcity of foreign supplies of pulpwood may be in a measure substantiated by fact. But it must not be overlooked that the Maritime provinces, and especially New Brunswick, border on the New England states, which allows for easy supervision and rapid transit, and these are highly important considerations. The market would be all right. There are few countries that have market facilities for the production of newsprint as have the Maritimes, particularly New Brunswick, and none that have the advantage of such proximity.

More for the Farmer

Moreover, the farmer here would receive more for his pulpwood. At the present time a large part of the price paid for his wood goes to the railways for freight charges. With the mills in the provinces the rail hauls would be short, the transportation costs light, and yet the price of paper would remain unchanged, with the result that a more generous share would go to the owner of the raw material. This is quite logical.

It is a matter of justice to the Maritimes, and indeed to all Canada, that a prohibitory measure be introduced that will accelerate sound development and permit of normal population growth. There have seldom been stronger reasons for the enactment of any legislation than those underlying the cause of an embargo on unmanufactured pulpwood exports. And this is the view that the man in the street in the Atlantic provinces is accepting with more conviction on each passing day.

PRICE BROTHERS NOW LARGEST MILL

Second of Two New Machines Finished This Week — Will Add Four Paper Machines

From Our Own Correspondent.

MONTREAL.—Price Brothers and Company finished the second of their two new newsprint machines this week, bringing their output to over 500 tons per day, and making Price Brothers the largest single newsprint mill in Canada. This machine was made by Charles Walmsley and Company, and is a duplicate of another machine that started to produce early in the year. They are the largest machines in Canada.

Price Brothers are proceeding without curtailment with the enlargement of their newsprint producing capacity, and will eventually bring their plant to an output of 900 tons a day by the installation of four more machines.

New Pulp Plant for Abitibi Area is Proposed

MONTREAL.—It is understood that interests which are not fully described, but are known to include the Brompton people and the Lotbiniere Lumber Company, are to erect a pulp mill in the Megiscane River district in the Abitibi. A few months ago a series of waterfalls in that section were leased by auction from the Department of Lands and Forests, and timber limits were also taken over.

St. Regis Co. Secures New Pulpwood Limits

MONTREAL.—It is reported that the St. Regis Pulp and Paper Company has secured pulpwood limits on the Mont Louis Seigneury which include 74,000 acres of freehold land and sixty-nine square miles of timber. The St. Regis Company already owns a large area on the north shore across the St. Lawrence from the point of Gaspe Peninsula, where the Mont Louis Seigneury limits are located.

SPANISH RIVER

In about six weeks' time, the shareholders of Spanish River Pulp & Paper Mills will be presented with the company's annual statement, and it is altogether likely that the same will be most gratifying and the best ever placed before them.

According to forecast, the bank loans, which were $1,000,000 in the last statement, will be wiped out entirely, and the net profits for the year will be about $3,500,000 as against $2,183,417 last year. Working capital will be in the vicinity of $10,000,000, and the bond indebtedness has been reduced by nearly $500,000, other than sinking fund requirements. $1,000,000 has been set aside for general reserves and depreciation, and the surplus will be about $6,500,000 as compared with $4,485,000 in 1923.

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Limited

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Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

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Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.

HEAD OFFICE: 2 Seigneurs Street MONTREAL

Belgo-Canadian Paper Company
Limited

Manufacturers of
Groundwood, Sulphite Pulp and
Newsprint Paper

MILLS AT
SHAWINIGAN FALLS, QUE.

PULP COMMISSION SCORED BARNJUM

But Barnjum States $70,000 Expenditure Was Without Any Noticeable Result

From Our Own Correspondent.

MONTREAL.—The futility of the efforts of the Royal Pulpwood Commission, which studied forest conservation, and the proposed pulpwood embargo for many months without coming to any recommendation on the latter important matter, seems to be demonstrated in the fact that the commission and Frank J. D. Barnjum, the leading advocate of the embargo, only aroused the commission's contempt, while the commission receives only scorn from Mr. Barnjum. This situation seems to indicate that Canada is no further ahead now than it was a year ago in determining whether an embargo on pulpwood shipments is actually justified. The "extreme" statements of Barnjum and others are criticized; yet they are not replaced by saner and more authoritative estimates of our timber reserves, rate of depletion, possible effects of an embargo, and similar points.

The commission heaped scorn on Mr. Barnjum.

"Although he did not appear before the commission, typifying this class, if his claims to lack of personal benefits from restrictive measures be correct, is Mr. Frank J. D. Barnjum, for several years the outstanding advocate of the embargo. The commission was most anxious to have Mr. Barnjum appear so that he might give at first hand the benefits of his wide experience and detailed study of the problem. Although cordially requested to appear, he declined. While the commission entertains great admiration and respect for Mr. Barnjum, in so far as patriotic motives may actuate him in the devotion of his time and means to the cause of forest conservation, the view is expressed that any person who, of his own volition, undertakes the responsibility involved in a campaign to mould public opinion, highly-motived though his motives may be, also bears the responsibility to justify the stand which he may take upon a great public question. Merely as a statement of fact, the commission records the further view, that if Mr. Barnjum had appeared before the commission, and if his cause, and his methods and arguments are well founded he would have thoroughly justified himself before the Canadian people, and a much clearer conception of the problems of forest conservation would thereby have become instilled in the public mind.

"Numerous private individuals in advocacy of restrictions, have at times resorted to the use of generalized statements that have no foundation in fact. They argue that there is but 'ten years' supply of pulpwood, that 'fires, insects, etc., destroy ten, twelve, or more times the amount of wood actually utilized' and other statements. In fact, Mr. Barnjum's statements, more than those of any other individual, savor of extremes of this character. The futility and danger of such statements has been explained elsewhere. Faced with the argument that if an embargo were imposed, many farmers would not have a market for their wood, the claim is made that new mills would be constructed; when it is pointed out that this will not contribute towards forest conservation, the substitute position is adopted that conditions are so serious that the governments must curtail the cut from the Crown lands, and by this means create a demand for privately-owned wood that now crosses the American border."

Mr. Barnjum now says of the commission's work:

"In this report the question of an embargo is left exactly where it was when the commission was appointed, namely, in the hands of the Government. I think this is ample justification for everything I have said concerning this commission, and for the ground I took from the beginning that the whole proceeding was a farce, that the commission was merely appointed to 'dodge' the issue, and was a criminal waste of the people's money, and that my action in declining to attend the hearings of this commission has been fully justified, if any justification were necessary. The mere fact that the commission states in its report that 'Canada is still dissipating her woods capital more than any other nation in the world,' and that 'definite radical and constructive steps are of transcending importance if Canada is to protect and further develop her forest industries,' and that 'publicly-owned forests should be developed throughout Canada,' simply corroborates everything I have said, and is merely repeating what all Canadian foresters have advocated for years. Consequently what have the Canadian people to show for the $70,000 expended on the Royal Pulpwood Commission?"

Expect to Sell More Paper in Australia

Canadian pulp and paper interests are looking for the conclusion in the near future of a trade agreement between Australia and Canada which will make it possible for the newsprint mills here to supply a share of the requirements of the sister Dominion.

The present Australian import preference of $15 per ton to the English mills, or nearly 20 per cent. ad valorem, is an almost prohibitive handicap, but the rejection by the British Parliament of the Imperial preference proposals appears to have caused an attitude in Australia more favorable to a trade arrangement with Canada. The Canadian pulp and paper industry has probably more to gain than any other industry here from such an arrangement. Preparations are being made to develop trade with Australia as soon as import conditions there are made more favorable to the Canadian product.

PULPWOOD EXPORTS

Exports of Canadian pulp and paper during the month of June were lower than those of the preceding month, and the corresponding month of last year. According to the report of the Dominion Bureau of Statistics, total exports of pulp and paper during the month under review amounted to $11,081,757. This was a decrease of $1,048,128 as compared with May, and a decrease of $1,286,699 as compared with June, 1923. Exports of paper alone showed a slight increase over the corresponding month of last year, being $8,044,003, as against $7,859,684, but exports of pulp declined from $4,508,772 to $3,037,754. The biggest individual item among the paper exports was that of newsprint, exports of which were valued at $7,006,722.

Details for the various grades of pulp and paper exported in June are given below:—

To	Paper	Pulp	Total
U. S. A.	$7,205,504	$2,607,881	$ 9,813,385
U. K.	161,705	128,548	290,253
Others	676,794	301,325	978,119
	$8,044,003	$3,037,754	$11,081,757

5,000 CANADIANS BACK HOME

WINNIPEG. — Five thousand Canadians are returning monthly from the United States, according to government officials here. No definite figures have been kept by the government in the past regarding returning Canadians, but in the last few months an accurate record has been kept, which shows that a surprisingly large number of Canadians are returning.

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MINING BRANCHES

Kirkland Lake and Lorrain branch lines of T. & N. O. railway will be completed by October, according to George T. Lee, chairman of the commission. Work is also going on in connection with the Tin Can Portage of the James Bay extension line. With the Hollinger Company at present engaged in the construction of a huge power plant 20 miles north of this point, Commissioner Lee expects there will be plenty of traffic for the new line.

News of the Mines for the Investor

KIRKLAND LAKE IS GETTING ATTENTION ON MINING MARKET

W. Hargreaves Success and Lake Shore Dividend Attract

The successful development of Wright-Hargreaves at the 1,000-ft. level, the announcement that Lake Shore is to go on a 20 per cent. dividend basis this fall and the official statement that Tough-Oakes Burnside will start its mill on Sept. 1, is focusing attention on these shares in the mining market. Teck-Hughes has been quite strong. Trading for the past week has not been heavy, but there has been a fairly good interest evidenced by the public which is regarded as a good sign. The silver shares have not been as active as many expected they would be following the moving up of silver to above 68 cents. However, the exchange situation has just about righted itself as silver reached this point so that the gain to the mining companies is partly offset in the loss of profits heretofore made out of exchange.

The large gold issues remain quite firm. There has been a better inquiry for Dome as there are indications that this company should do better. Hollinger is still in demand, in expecatation that the pending power deal will soon be cleaned up. The small issues have been up and down, with little interest being taken in them.

BIG INTERESTS WANT BRIT. AMER. NICKEL

International, Mond and Schwab People Are Reported as Possible Bidders

From Our Own Correspondent.

OTTAWA.—Reports that International Nickel Corporation, an American concern, may acquire the assets of the British-American Nickel Corporation, have aroused a great deal of interest here. As at the latter works across the Ottawa River at Deschenes about 500 have been thrown out of work through the bankruptcy of the company, the interest in these reports is quite understandable. International is the largest nickel refining corporation in the world, and would have the capital necessary to make the venture a success. Rumors also have it that the Mond Nickel Co. may also bid. There is also a report that interests associated with Chas. M. Schwab, may also bid for the company.

HATTIE CAPITAL TO BE TEN MILLIONS

Will Issue Preferred Shares—Which is Radical Departure in Mine Finance

Hattie Gold Mines must refinance, as predicted for some time by THE FINANCIAL POST. The new capitalization will be $10,000,000 or double the present. In making this jump in capitalization, it has been decided to make a ridical departure in mine finance and introduce preferred shares.

There will be $2,500,000 7 per cent. cumulative preferred, par value $1 and a similar amount of new common. Holders of common can turn in their shares and for every ten shares held, get a share of preferred and one of new common. If they pool their shares they will get double that. The old common will go to the treasury and the new offering on the unit basis will be sold at 60 cents.

The offering is reported to be due to the "opening of what is considered the main ore body." Yet it is only a few weeks ago that the company had an engineer go over the mine and recommend diamond drilling to the end that they might find an ore body. Since then there has been a rather glowing report of the finding of a small vein. Hattie is a long way from being a mine, in the opinion of most engineers and with the new preferred piling up arrears, the outlook for common shares would be that it would take a long time to share in profits, if profits are ever made. The capitalization of $10,000,000 for a mere prospect has been exceeded by but one other north country prospecting company.

Long Shoot Opened Up on O'Brien Gowganda

What is described as the longest ore shoot so far discovered in the Gowganda silver area has been opened up at the 600-ft. level of the Miller Lake-O-'Brien Mine. The deposition of silver is continuous for a length of 390 feet, and promises to be a source of particularly big production. The Miller Lake-O'Brien, like the Keeley Mine in South Lorrain, has been noted for its high-grade shoots of ore, each of which are usually short. The latest development, therefore, tends to show the great possibilities of future development on the Miller Lake-O'Brien, and may also be pointed to as extremely good encouragement for other properties which share similar geological structure.

W. Hargreaves Rich Shoot Opened Up for 200 Feet

The drift on Wright-Hargreaves No. 1 vein on the 1,000-ft. level has been extended 200-ft. and values continue very high, up to $1,000 a ton, says a report from the camp.

15-ft. Coal Seam Found North of Moose Jaw

A seam of lignite coal 15 feet in thickness has been found on the farm of J. A. Mitchell, a couple of miles from Lawson on Moose-Jaw-Riverhurst branch of Canadian National Railways. W. H. Hastings, mining engineer of the Department of Industries, Saskatchewan, who has made an examination of the deposit, states that the coal appears to be a good average-grade of lignite. At the point where the coal was tapped in the process of sinking a well the overburden was only 14 feet. Mr. Hastings recommends that the government undertake to do a limited amount of drilling in the area sufficient to determine if the seam has any considerable lateral extent, and also to ascertain if there are deeper and harder seams below the one in question. The property is 60 miles north of Moose Jaw and is the farthest north such a seam has been found in the province.

QUEBEC WARNS THE MINING SPECULATOR

Department Presents Interesting Facts About New Gold Fields

Quebec may be encouraged by the 1923 mining report. The total of $21,336,000 was exceeded only once; 1919 when value were inflated. The figures follow:

	1923	1922
Asbestos	$7,364,200	$6,053,000
Chromite	52,600	11,500
Dolomite	8,700	14,200
Feldspar	97,000	115,000
Gold	13,300	....
Graphite	2,200	1,500
Kaolin and fire clay	2,300	18,532
Magnesite	126,700	76,500
Mica	236,200	91,000
Mineral paints	116,400	113,600
Mineral water	2,400	3,600
Phosphate	900	1,300
Quartz and silica	67,700	51,000
Silver	19,900	....
Talc	20,200	7,700
Zinc and lead ore	24,300	....

Much business skill has been applied to the asbestos industry. Extensive works for getting out the rock containing the fibre have been developed and mills for treating it to make it ready for market have been erected. Electric power for operating is brought from Shawinigan. The use of the material continues to grow. Extensive exploration by diamond drilling indicates the existence of large bodies of ores yet untouched, so that the prospects are that the industry will have a long life. Something is expected from the gold discoveries in northern Quebec. The report of the department is characteristically cautious in regard to what is set out. Some twelve hundred claims, covering 200,000 acres, have been staked in the Temiskaming-Abitibi district within the past two years.

"It is probable that not more than one per cent. will turn into paying mines, and it is very unlikely that many of these successful mines will have been developed by the launching upon the public of highly capitalized companies offering shares at one-tenth or one-fifth of the face value of the certificates," is the warning of the report, which also advises the public to be cautious in accepting the statements of stock vendors, without first consulting disinterested and competent advisers. The new district is promising, but it has not any of the ear-marks of a "poor man's camp." Considerable investments, judicial and specialized technical skill must be employed and considerable risk of loss must be run before returns can be expected.

Production of building material was as follows:

	1923	1922
Brick	$2,018,300	$1,910,300
Cement	6,347,900	5,906,900
Granite	659,400	547,900
Lime	574,700	666,900
Limestone	1,976,600	1,698,600
Marble	197,500	253,700
Building sand	453,300	327,200
Sandstone	90,700	32,000
Slate	17,200	14,800
Tile, sewer pipes, etc.	838,800	401,400

Good Progress Being Made in Skead Tp.

Good results are being achieved by the three operators in Skeard, Manley-O'Reilly, Skead Gold and Flanagan Skead. The former are sinking and the third is carrying on important surface work. It is understood that such encouraging results were achieved on the Flanagan recently that it is now proposed to have A. R. Writman, pioneer geologist of Cobalt, now of Los Angeles, make a report on the property.

GOOD RESULTS ON HARKER

Harker Gold Mining Co., Lightning River, is making good progress. The shaft has reached a depth of about 200 feet, with the 250-ft. level the next objective. The results obtained at the 125-foot level have never been announced—other than that the vein has a width of ten to twelve feet. The ore is said to average $8.

OPEN NEW IRON PROPERTY

SYDNEY, N.S. — English interests have taken hold of iron ore deposits on the western end of Bell Island, adjacent to Besco's Wabana areas, according to reports received here from Newfoundland. A Montreal engineering firm is doing the preliminary work, and the ore will be shipped to plants in England.

RE-OPEN MADOC MINE

It is reported that a Toronto firm is becoming interested in the Diamond Gold Mining Co. in Madoc district. A company is being formed with a share capital of two million dollars. The expectations are that operations will commence before the first of August.

"WAD" SYNDICATE TO DEVELOP MANY MANITOBA CLAIMS

Long Lake and Bull Dog Lake Sections to Get Considerable Attention

First payments totalling several thousand dollars on mining claims in the Long Lake and Bull Dog areas are being made by a syndicate known as the "Wad" syndicate, comprising Winnipeg and Boston interests.

This follows a period of investigation which has extended over several months, and which will be followed bv further investigation and preliminary development work.

The Manitoba Government, through the provincial treasurer, Hon, F. M. Black, is evincing interest in the district, and at a meeting held between Mr. Black and mining interests, the construction of a proposed road from Great Falls, or some other starting point in that neighborhood, into the district was discussed. A road into the Bull Dog and Long Lake area, it was stated, was an urgent necessity, and it is expected in mining circles arrangements for surveying a road will be completed soon.

Major T. C. Anderson, Winnipeg, who, in company with Howard Clark Davis, financier, and H. A. Wentworth, consulting engineer and mine operator, both of Boston, has been making a general inspection of the central Manitoba mining district, says the country northeast of Winnipeg to Hudson Bay, has potential possibilities, which in time will make Winnipeg the centre of large mining activities. Major Anderson has formed the "Wad" syndicate for the purpose of investigation and financing worthy prospects, and to co-operate with the prospectors and other owners of natural resources in developing the region, obtaining needed transportation, and for bringing experienced capital and talent for this development to the area.

The shaft on the Oro Grande property at Bull Dog Lake, Central Manitoba has reached 33 feet depth, with satisfactory showings continuing. Anglo-Canadian Explorers are working the property. At the Onodaga, at Long Lake, the cross cutting of the vein at the 100-foot level is started. At the Luleo, Selkirk mine, near Hay Lake, sinking from the 300-foot to the 500-foot level has begun. At the Rockland group, near Long Lake, and the Madeline, near Bull Dog Lake, both under option to the "WAD" syndicate, crews of men are engaged in stripping for the purpose of determining the best locations on these holdings for concentrating the work.

For the "WAD" syndicate. Major Anderson has established three camps in the central Manitoba area, and the first payments now being made are on various options in the Long Lake and Bull Dog areas held by the syndicate and on which a thorough sampling of the showings will be carried out.

Silver and Base Metal Prices Move Upward

Silver, copper, lead and zinc prices are showing new strength.

Whether silver is going up because it is a commodity, and therefore subject to the fluctuations that affect other commodities, or whether it has been advancing because it is a money unit in demand will not be debated here, but the fact remains that there has been a world wide although quiet rise in silver prices for some time past. The quotations of the metal has been around 34⅝d. in London. The highest price was 35⅝d. on May 31, and the lowest price on the present movement was 32⅞d., or thereabout, on April 7. It will be seen that the advance within a period of a few weeks has been 3d., or to put it another way, something around 10 per cent.

New York reports speculative copper buying. Producers are reluctant to sell futures and this is a factor. Electric interests, steel corporations were purchasers of 8,000 pounds this week.

Lead demand is heavy, offerings light. There are those who say that a repetition of the runaway market in this metal is not impossible.

September zinc prices command a good premium on the present level. England is a heavy buyer in New York.

SILVER AND OTHER METALS

July	28	29	30	31
Silver—				
London (d)	34⅝	34⅝	34¾	34 11-16
New York	68⅛	68⅛	68¼	68
Copper	13	13¼	13¼	13⅛
Lead	7.25	7.25	7.50	7.50
Zinc	6.00	6.07	6.05	6.05

WEEK ENDING JULY 29

	High	Low	Close July 29	Close July 22
Apex	3	3	3	2¼
Algonquin	2½	2½	2½	1½
Argonaut	39	37½	38	38½
Atlas	4	4	4	4⅛
Baldwin	2½	2½	2½	2½
Beaver	14	13½	13¾	14¼
Bidgood	7	6½	7	6½
Boston Creek	6	6	6	3
Buckingham	3½	3¼	3½	3
Can. Lorrain	57½	56½	57	57
Capitol	34	32	34	32
Castle Treth	73	71½	72	72
Clifton Con.	14¼	14	14¼	15
Coniagas	1.20	1.15	1.20	1.45
Cons. Smelters	39½	39	39⅛	39¼
Cons.W.Dome	20½	19	19	20
Col. Kirkland	3	3	3	2¾
Crown Res.	55	52	53	53½
Dome Mines	16.25	15.75	15.75	16.25
Dome Kirk	1	1	1	1
Everett	3½	3¼	3¼	3½
Gifford	½	½	½	¾
Gold Reef	1½	1¼	1¼	1⅝
Goldale	20¾	20	20	20¼
Hattie	5¾	4½	5¾	4½
Int. Nickel, com.	18⅛	17½	18	18¼
Hollinger	14.10	13.80	13.90	13.90
Hunton	9¼	9¼	9¼	9⅛
Inspiration	10¼	10¼	10¼	10¾
Indian	15	13	13⅛	14
Keora	12½	12	12	12
Keeley	2.30	2.23	2.26	2.22
Kirk. Lake	19	18	19	19
Lake Shore	3.90	3.75	3.86	3.75
Lorrain T.L.	1.37	1.35	1.35	1.35
Lorrain	20½	17½	19½	18½
McIntyre	16.00	15.80	15.90	15.89
McKinley	10½	10	10½	10½
Mining Corp.	2.42	2.35	2.41	2.40
Moneta	17½	17½	17½	17
Montreal-Ont.	8½	7½	7½	7
Newray	21	21	21	21
Nipissing	6.10	6.00	6.10	6.00
Night Hawk	40	37	37	44
Ophir	4½	3	4¼	2¼
Preston E.D.	11⅜	11	11⅜	11¼
Pete. Lake	10	7¾	10	8
Porc. Crown	6	5¼	5¼	6
Rouyn	21	20	21	20
Teck Hughes	1.20	1.12	1.16	1.12
Thomp.Krist.	2¼	2	2	1¾
Timiskaming	18	18	18	18½
Tough Oakes	58	56	56	58
Trethewey	13⅞	13½	13½	13¾
Skead	26	21	21	26
Vipond Cons.	1.04	99	1.01	1.00
Wettlaufer	23	22	22¼	21¾
Wright-Har.	4.00	3.48	3.55	3.50
Oil Companies				
B.A. Oil	34	32¾	34	32¾
Imperial	102	102	102	102
Inter. Pet.	20	19	20	18½
Mutual	11	10¾	10¾	10¾
North Star, pref	3.50	3.50	3.50	3.55

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HERB LAKE STRIKE

A rich strike on the Platinum King group in Herb Lake area, Northern Manitoba, is reported. Values are said to run $140 in gold and 60 cents silver.

CONSOLIDATED IN ROUYN

Consolidated Mining and Smelting has an engineer and 15 men doing work on Provencher claims in Rouyn.

Current Events in Banking World

CUSTOMERS DO NOT UNDERSTAND THE OVER-DRAFT

U.S. Supreme Court Says Illegal to Pay Cheque if No Funds

By A. B. BARKER,
Manager, Toronto Clearing House.

One point on which bank and customer do not see eye to eye is the overdraft, the customer in many cases taking it as a personal affront if his cheque is refused for the reason that he has not provided funds to pay it on presentation. The ground he takes is that as he is quite good for the amount, the bank has deliberately injured his credit by refusing to honor the cheque. Just why he takes this attitude it is hard to say, but he does, and will continue to do so until educated to understand the rights of the bank as well as his own. In his own business, if a jobber draws on him for an amount in excess of the amount owing, he takes an entirely different view, and promptly returns the draft with some caustic comments on the laxity of the system in the jobber's office. He stands on the letter of his bargain. No adjustment of differences suffices for him, no matter what the financial standing of the offender. He does not see that by issuing a cheque for which cover has not been provided, he is, in relation to the bank, in exactly the same position as the erring jobber whose draft exceeds the value of his shipment.

When a deposit is made with a bank in the ordinary course of business it is upon the understanding that cheques of the depositor to the extent of the funds at his credit will be honored upon presentation and if, while there are funds at his credit, the bank refuses to honor his cheques to the extent of the balance, the depositor would have a claim for damages if his credit were injured by the bank's action. This contract, however, in no way implies a right on the customer's part to expect the bank to permit an overdraft in the account even temporarily. An overdraft is a loan, a different contract entirely, and to complete it, the consent of both parties is necessary.

Misapplication of Funds

In the United States the Supreme Court has held that over certification, that is honoring cheques for which funds have not been previously provided, is a misapplication of the funds of the bank. Part of the decision is as follows: "A usage to allow customers to overdraw and to have their cheques and notes charged up without present funds in the bank, stripped of all technical disguise, the usage and practice, thus attempted to be sanctioned, is a usage and practice to misapply the funds of the bank; and to connive at the withdrawal of the same, without any security, in favor of certain privileged persons. Such a usage and practice is surely a manifest departure from the duty, both of directors and cashier, and cannot receive any countenance in a court of justice. It could not be supported by any vote of the directors however formal; and, therefore, whenever done by the cashier, is at his own peril, and upon the responsibility of himself and his sureties. He is anything but well and truly executing his duties as cashier."

The rule in Canada is not so rigid and there is nothing in Canadian law forbidding the practice. It is, however, objected to by banks for good and sufficient reasons.

Briefly stated the chief objections to an advance by way of overdraft are:

(a) It does not fix the customer's liability as indisputably as a note.

(b) Date of payment is indefinite.

(c) There is no direct benefit to the bank in an account in which the balance is frequently reduced to zero as it leaves no balance which the bank can use and in this way earn a profit to cover the expense for stationery and clerical work needed to operate the account.

(d) The customer exceeds his rights under the contract with the bank when the account was opened. The expense of operation is not covered by the interest on loans or discounts, which may go through the account, nor by the commission charged on out-of-town cheques negotiated for the customer. These charges are for services distinct in themselves, and quite apart from the service rendered the customers in honoring cheques, and the bookkeeping entailed thereby.

Mortgage companies charge about the same rates for the funds they supply as do the banks for their loans and discounts, but the service of the mortgage company ends when the funds are paid over after the mortgage is executed. One great guard against overdrafts in the United States is the practice of stipulating, when the account is opened, that a certain free balance shall be maintained, depending on the expected volume of turnover in the account. Some American banks make a practice, when the balance falls below this stipulated amount, of charging interest on the deficiency. Also when a credit is granted by an American bank there is usually a stipulation that during the currency of any advance under the credit a free balance will be maintained in the account of from 15 to 20 per cent. of the loan and a reduction of this free balance is sufficient ground for the cancellation of the credit. The rates charged on loans are lower than in Canada, but, as interest is charged on the whole advance while the borrower gets the benefit of from 80 to 85 per cent. only, the rates work out if anything a little higher than in those paid in this country.

Says Farm Loan Plan Now Paying Its Way

With a total volume of farm loans now reaching $6,500,000, Hon. W. H. Price, provincial treasurer of Ontario, declares that the government's farm loan plan is paying its way, and he predicts that the year ending October 31 next will see the first surplus. The Agricultural Development Board is carefully appraising the risks which it is carrying, but, in view of the fact that some 1,900 loans must be examined, no report has yet been made.

Exchange

The Canadian dollar has further improved its position in the New York market during the week, coming within one-quarter of one per cent. of par on the 29th. This is a continuation of the upward movement which has been affected by the transfer of funds to Canada for commercial and tourist purposes and for the crop movement, as well as by Canadian financing in New York. If there is any truth in the balance of trade theory, one must assume that this has also been a factor, since the balance in favor of Canada has increased measurably of late.

Some surprise has been expressed that the Brazilian milreis has maintained its position, for the most part, despite the Sao Paulo revolution. Since the visit of the British financial mission the first of the year the Brazilian government has expressed its desire to comply with the suggestions made, and improvement in the exchange since that time indicates that an attempt is probably being made to balance the budget. News of the Sao Paulo disturbances depressed the milreis somewhat late in July, but the position has been remarkably well maintained under the circumstances.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 24 ...	23-32	21-32	2 19-32	2 19-32
July 25 ...	23-32	5-8	2 19-32	2 17-32
July 26 ...	21-32	1-2	2 17-32	2 17-32
July 28 ...	15-32	1-4	2 1-2	2 13-32
July 29 ...	9-32	1-4	2 7-16	2 3-8
July 30 ...	3-8	1-4	2 11-32	2 1-4

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
July 24 ...	4.40¼	5.13½	4.32¾
July 25 ...	4.39¾	5.10	4.32¾
July 26 ...	4.39¾	5.09½	4.33
July 28 ...	4.39½	5.08	4.33
July 29 ...	4.39⅞	5.00¼	4.33
July 30 ...	4.39¾	5.02	4.33

DEPOSIT GUARANTEE FAILS IN DAKOTA

Sound Banking is the Only Guarantee to the Public, Says Regina Leader

South Dakota's experiment in guaranteeing bank deposits is not only a failure but has produced such unfavorable reactions that an extra session of the legislature is now demanded to untangle the snarl, says The Minneapolis Journal.

The chief trouble with the bank deposit guaranty plan is that it fails to work at the precise time its help is most needed. A guaranty fund is built up by taxing all the state banks. When things are going well, few demands are made upon it to reimburse depositors of failed banks. When things are going ill, there is not enough in the fund to pay them all off.

The depositors have meanwhile relied on what is implied in the magic words, "state guaranty." When the guaranty proves a misnomer they lose confidence in banks in general and money goes into hiding.

The South Dakota fund was quickly exhausted. "Certificates" were issued to depositors of closed banks by the State Bank Guaranty Commission. State Senator Brownell says these certificates will be outstanding for sixty years to come. The holders want them paid off by the state—that is by the taxpayers. Was not payment guaranteed by the state? they ask. The state did not guarantee—but the depositors supposed it did. The state merely undertook to administer a fund collected from all the state banks. This scheme had the inevitable effect of encouraging bad banking and of penalizing good banking. The reckless bankers plunged into unsound operations, feeling secure in the compulsory backing of the careful bankers arranged for them by the state. When times of stress came the guaranty fund was quickly exhausted, and the depositors in failed banks found that the state's guaranty was nonexistent.

"There is but one real guaranty of bank deposits—and that is sound banking," says the Regina Leader. "The state can help sound banking by legislation requiring definite reserves, standardized accounting, frequent and thorough examination, and other measures of that kind. But bank deposit guaranty such as was tried out in South Dakota is a bursted bubble—along with a lot of similar schemes involving state paternalism."

Guaranteeing Bank Deposits

Journal of the Canadian Bankers.

After every wave of financial disturbance and the failure of weak or mismanaged banks, a demand rises for the guaranty of bank depositors. In Canada, the demand usually comes after the event, and takes the form of insistence that the government should reimburse depositors out of taxes. In the United States, the movement has gone much further, and has taken the form, in a few states, of state laws, compelling every state bank to contribute an annual sum, proportioned to its total deposits, to a central fund managed by the state, out of which depositors in failed banks may be reimbursed.

Anyone familiar with the hardships and tragedies which the collapse of a bank to which a life's savings have been entrusted bring to hundreds of homes will consider with an open and sympathetic mind any plan which seems to offer relief. Recent experience, however, indicates that the trust in the joint guaranty scheme has not been justified. At the recent annual meeting of the Canadian Bankers' Association, the president, Sir Frederick Williams-Taylor, called attention to the failure of the United States experiments. In none of the great financial states, he observed, had such laws been passed. In three of the states where guaranty laws were in operation, Kansas, Washington, and Oklahoma, the system had completely broken down and failed of its purpose.

A survey of the development and working of the guaranty laws is provided by Thornton Cooke, in an article in the Quarterly Journal of Economics for November. Mr. Cooke has distinct sympathy with the principle of deposit guaranty, which he compares to insurance against fire losses, but he finds little comfort in an analysis of actual experience, particularly in Oklahoma. The failures of Oklahoma state banks, which had ranged from two to eight between 1915 and 1920, mounted to 27 in 1921 31 in 1922, and 16 in 1923. Under this pressure the fund broke down. Other solvent banks hastened to take out charters as national banks, which of course, were not subject to the state law. Even before this, it had become apparent the fund was bankrupt. The deficiency in the state banks which have failed runs from $5.000.000 to $8,000,000; early in 1923 the guaranty fund was down to $4.500. and the whole capital of all the solvent state banks left in Oklahoma was only $8,900.000. with $1.-900,000 surplus in addition. The issue got into politics. The Democratic party pledged itself to continue the guaranty policy, which it alleged had temporarily broken down owing to the deflation policy of the Republican administration in Washington. When the legislature met in January, 1923 a bill to reimburse the depositors out of state funds was defeated by 58 to 38, and the guaranty sections of the banking law were repealed for the future, leaving it to the courts to disentangle the liability for past assessments. In October a referendum was submitted to the people of the state to levy a special tax of $2,000,000 a year for five years to reimburse the depositors; it was defeated by a great majority.

In Nebraska and Kansas, exhaustion of the fund has thus far been averted by temporary expedients. In North Dakota, where sixty-four state banks have failed since November, 1920, the fund has broken down; there is some agitation for the issue of bonds to pay off depositors. In Washington, the failure of one big bank broke down the system.

In general, the system has not prevented failures; the failures in adjoining states which have not the guaranty system have been fewer in proportion, and so with the failures of national banks in the states concerned. Mr. Cooke quotes an Oklahoma banker's explanation of his acceptance of a shaky grain account by saying that the apparent profit was large and that his depositors, being guaranteed, could not suffer anyway He adds that it is probably not often that banks fail from such deliberate recklessness, but that it is clear that incompetent and crooked men have attracted deposits they would never have received if depositors had not been guaranteed: "such bankers have outbidden sound bankers for accounts by granting credit on insufficient security or none. It was easy in the flush times to build up impressive deposits in this way. But now many of these bankers have lost their banks and their honor, and their depositors hold warrants against abandoned or delinquent guaranty funds; in other words, if you guarantee deposits, lots of bankers lean on the guaranty and fall." Nor does the system provide a cure; when few banks fail, the fact that depositors suffer no loss "deadens the public opinion necessary to the successful prosecution of criminal bankers;" when many fail, the fund breaks down. The continuance of deposit guaranty, Mr. Cooke concludes, is distinctly improbable.

Staff Gossip

C. H. Fritz, formerly in the service of the Imperial Bank of Canada, at Timmins, Ont., recently resigned and has accepted a position with the firm of A. E. Moysey & Co., Ltd., Kirkland Lake, Ont.—The Banner, Listowel.

* * *

The friends of E. H. Brown in the community of Craighurst held a social evening in the public hall recently, to show their appreciation of his kind, courteous services as manager of the Sterling Bank, before his departure for Toronto.—The Times, Orillia.

* * *

Miss Constance Watson, who has been the past year with the Bank of Nova Scotia in Toronto, is taking a holiday trip to Brandon, after which she will resume her position with the Bank of Montreal in St. Marys to the delight of her many young friends in town.—The Journal-Argus, St. Marys.

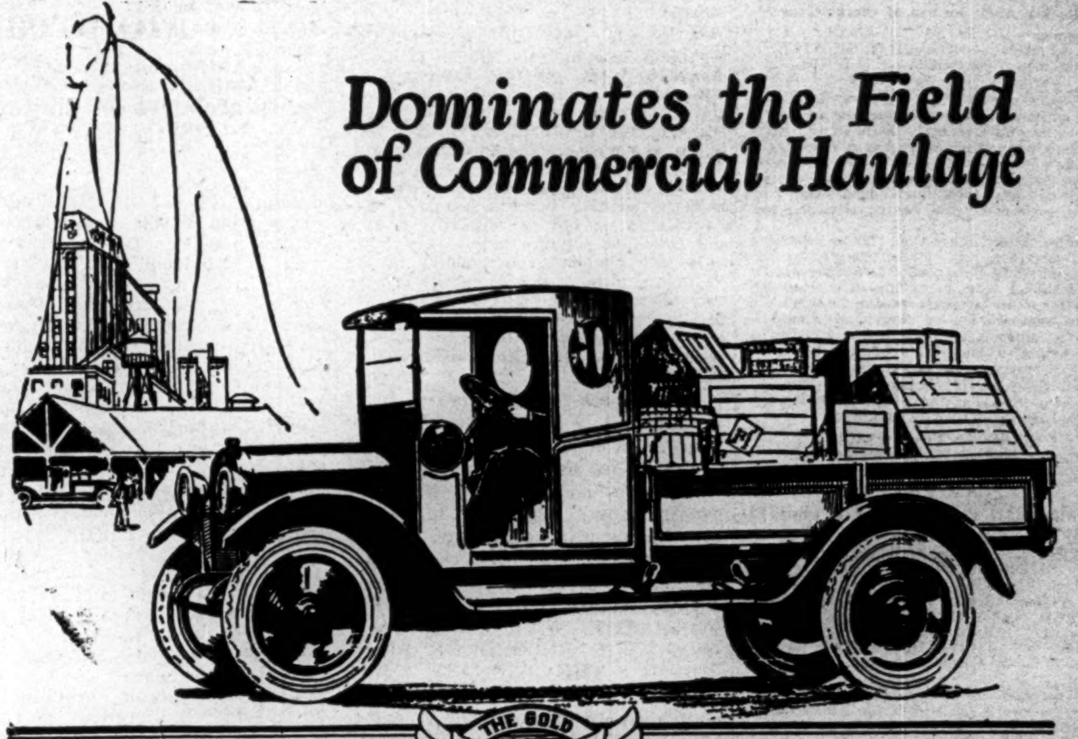
* * *

Before the members of Rotary and a number of guests at a recent luncheon, C. B. Houston, manager of the Bank of Nova Scotia, gave an excellent address on the banking question, at the close of which the president, Dr. Wickware, thanked the speaker on behalf of the club, saying that he had given them some very valuable information.—The Recorder-News, Smiths Falls.

* * *

Gustave Bernier, secretary of La Banque Nationale, was given a send-off at Quebec on the eve of his departure for Montreal, where he will join the executive staff of Banque d'Hochelaga.

Mr. Bernier served twenty years with La Banque Nationale, and after being manager in Neuville and Donnacona he was appointed secretary of the bank under the presidency of Hon. G. E. Amyot. Amongst those present at his send-off were F. A. Gauthier, manager of La Banque Nationale in Montreal for ten years, and now manager of La Banque d'Hochelaga in St. Roch, Quebec; J. S. Blais, J. A. Pouliot, and J. A. Galibois.—The Gazette, Montreal.



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Home Bank Directors to be Tried Sept. 9

The trial of directors and officials of the Home Bank on charges arising out of the failure of that institution has been set for September 9 before Judge Coatsworth at the Toronto City Hall. No charge was laid against the late H. J. Daly, the president of the bank, or against A. E. Calvert, general manager at the time of the bank's failure.

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES

	July 26, 1923	July 24, 1924
Halifax	$ 2,773,847	$ 2,792,340
St. John	2,567,292	2,715,554
Moncton	941,975	944,196
Sherbrooke	770,407	790,568
Quebec	5,974,157	5,445,353
Montreal	95,484,506	97,391,854
Ottawa	5,387,255	5,444,383
Kingston	669,571	754,280
Peterborough ..	670,594	659,597
Toronto	94,069,361	90,273,747
Hamilton	5,934,197	4,839,464
Brantford	962,604	826,824
London	2,567,292	2,479,335
Kitchener	922,340	827,891
Windsor	3,267,644	3,507,036
Total East....	$222,963,042	$219,692,422

WESTERN CITIES

	July 26, 1923	July 24, 1924
Fort William ..	961,960	955,481
Winnipeg	30,720,987	55,393,577
Brandon	534,414	473,343
Regina	3,308,032	2,895,128
Saskatoon	1,287,677	1,342,355
Moose Jaw	938,963	906,372
Prince Albert ..	275,015	281,348
Lethbridge	472,688	456,882
Calgary	3,925,759	5,045,268
Edmonton	3,176,794	3,282,777
Medicine Hat ..	257,261	304,200
N. Westminster.	540,085	563,852
Vancouver	14,389,155	18,209,932
Victoria	2,647,065	4,885,988
Total West...	$ 63,435,855	$ 94,996,503

The Business of Religion and The Religion of Business

Thoughts Extracted From a Lecture by RABBI BRICKNER.

Real service in business, consists in making merchandise of reliable quality, under just conditions, and selling at a reasonable price.

From the view point of business there should be no real distinction between Sunday, Monday or Saturday; nor between the altar and the office.

The world to-day may be full of the things that feed discouragement, but it is also full of the materials of Hope.

Don't scowl and frown; don't look or be depressed. Business depression is first produced in the mind, before it manifests itself on the ledger.

Fear is a weight; hope is a wing.

A pessimist is one who, when confronted with two evils, chooses both! Be an optimist; make good lemonade out of the lemons that life throws at you.

Distinguish between honesty and honor. The former is the minimum —the latter the maximum virtue of business and religion.

Some people regard themselves as honest so long as they keep out of jail.

We require a cessation of the new idolatry of the so-called successful man. Let us stop asking "How much is he worth?" Let us, rather, ask "Of how much worth is he?"

Success should cease to be a religion.

The business of religion is to put God into life; ethics into mending tires; soul into the money counter and love into our relations with our fellow men.

Don't be afraid to put religion into the making of garments and the selling of goods.

There will be little difference between PROFITS and PROPHETS when men learn that the soul of business and the soul of religion are one and indivisible.

The failure who goes to the bankruptcy court with honor and justice on the credit side of his ledger, is to be preferred to the man who is a failure in spite of his success.

What business needs to-day is team work, co-operation, and morale. Morale is a spiritual element, it means mind controlling matter, spirit animating substance. It is the Heavenly fire which kindles men and intoxicates them with the Divine elixir to achieve success.

Let us forget how to spell competition and remember only how to spell co-operation.

To most people, religion and business are utter contradictions, but as a matter of fact, business and religion are just different aspects of human nature. They are different expressions of the same individuality and personality; man, striving to give expression to his creative impulses.

Religion rests on faith in God; business rests on faith in man—we call that faith credit. But in order to have faith in man, we must have faith in religion.

Some people delay their progress by the idea that religion is something for God alone, while business has only to do with man. They seem to think that business is an activity and religion a belief; that business grows out of ledgers and that religion lives only in the Bible.

Some people believe that business is war; a sort of economic cannibalism. Either you eat up your competitor, or he eats you up and it is largely a matter of who gets the first and biggest bite.

Others think that a bad business man goes to jail—unless he can hire a clever lawyer and that for bad religion a man goes to Hell—unless he is lucky enough to have a forgiving minister or priest. There seems to be some belief in the foolish analogy, that because a man can pay his business debts with hard cash, that he can pay his religious debts with a prayer.

This diabolical dualism makes an hypocrisy of business and of religion, a lie; it makes life a chimera instead of an ideal. This dualism must cease. We must recognize that the ethics of business and the ethics of religion are one. I know of no worse form of modern atheism than the belief that God, religion, sympathy, justice or co-operation have no jurisdiction in business.

A business in order to have a right to succeed, must be of real benefit to the community.

CANADIANS INTERESTED IN PIPE LINE CONTRACT IN COLOMBIA

NEW YORK.—The Andean National Corporation, which has a contract to construct 500 miles of oil pipeline in Colombia, South America, is affiliated with the International Petroleum Corporation and has a number of well-known Canadian financiers on its board of directors. Among these are Sir Herbert Holt, Sir Charles Gordon and C. E. Neill, general manager of the Royal Bank of Canada.

SHIP WHALE OIL TO ENGLAND

VICTORIA.—More than two hundred tons of whale oil from the whale stations in the Queen Charlotte Islands have been shipped to England.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, AUGUST 1, 1924

FOR BETTER BUSINESS

"BUSINESS is Good" was the slogan which Toronto found pasted over the windows of down town business houses one morning recently. If any considerable number of people saw these posters before they were torn off by industrious small boys there has been, we believe, no evidence of an improvement in trade traceable to them. This is mentioned as typical of many so-called better business campaigns which spring up from time to time and which fail in their purpose because they do not carry a message of conviction. The interests of buyer and seller will always diverge to the extent that buyers will resist sales efforts which merely leave the impression that they are asked to buy to help business.

Another campaign which promises to fail in its purpose is that of the Prosperity League, being organized to secure wider support for a national policy of high protection. There is no intention of saying one word here against a broad intelligent effort to educate the people of Canada to the benefits of protection; we believe in protection as a Canadian policy, and the board of the Prosperity League contains the names of a number of prominent mercantile, industrial and financial leaders who undoubtedly believe likewise in protection. No doubt other manufacturers can be induced to join the league. But there is no need to educate manufacturers to the benefits of protection. What is important is to educate the workers and the farmers—the general public. An effort of this kind should have the endorsation of leaders among the workers and among the farmers as well as among the business community to be effective.

A well directed effort to show to the public that protection is a good thing for Canada because it benefits the whole community would be worth while if it could be made convincing to all classes but what is more likely to bring better business is greater efforts on the part of manufacturers, wholesalers and merchants individually to convince their customers that they should buy in their own interests either because the price is right or because the goods will give service.

LET REFORMERS CONSIDER

THE agitation to reform the Senate springs up every so often. It has no particular political family although it is necessarily of politics. The Opposition in the Commons may demand that the government of the day do something if the majority in the Senate is of the latter party or it may be the Goovernment of the day will threaten action if the political complexion of the Upper Chamber is of the contrary color. And the newspapers generally give support to the agitation because the usual offense of the Senators is in refusing to pass some extravagent financial bill or other popular legislative measure for which there has been a widely-voiced demand—often the result of clever political effort.

But close students of public affairs see in the Senate a safeguard to our democratic form of government, particularly valuable at a time when there are so many efforts to effect constitutional changes and when radical elements are playing such an important part in measures being engineered through the house of commons to meet the passing public fancy. Business men and large tax payers who have a big stake in the country will suggest that extreme caution mark any effort to change the constitution as regards the Upper Chamber, not only because it is in their own interests but because such a course is in the interests of Canada. They will agree with Hon. Wallace Nesbitt, an outstanding authority on questions of law and government, who ignores petty politics and declares:

"I consider the joint responsibility of the Senate and the House of Commons the very greatest safeguard to law and order. To my mind the greatest mistake in England was the weakening of the House of Lords by bringing in the measure lessening its power.

"The senate in Canada is composed of men of the very best intellect we have in politics in this country. Because they do not see eye to eye with the so-called popular voice—very often only mob clamor—it is popular in the press to pillory the Senate. I have had an experience in Ottawa of over forty years, and I consider that the Senate, composed as it is, is a very beneficial and steadying influence on the country."

The Senate should justify itself as a factor in our national government on what it has done. A great deal is heard at the time about bills which are not passed. But time usually proves that the judgment of the Senate was sound—but that of course usually long after the popular demand has been forgotten.

LET THOSE WHO WOULD REFORM THE SENATE GO BACK OVER THE RECORD OF BILLS WHICH THE SENATE HAS THROWN OUT OR AMENDED, omitting only instances too recent to have permitted the test of time and events, AND JUSTIFY THEIR ACTION BY THAT RECORD.

TOO FREE WITH FREE SPEECH

EMPHASIZING that "Canadians are determined upon the fullest development within the Empire" despite any strengthening of American sentiment or customs, Colonel Arthur F. Hatch, president of the Canadian Manufacturers' Association, speaking in London on Anglo-American tradé before a meeting of organized Chambers of Commerce of Canada, issued a frank warning against propaganda to disturb relations between Canada and the Mother Country. He condemned the practice of allowing agitators to express revolutionary views at Hyde Park. "If this vicious propaganda is allowed," he declared, "serious trouble is bound to occur; I believe that I am right in saying that for Canada we want it stopped."

Free speech has long been recognized as a British institution. But, as THE FINANCIAL POST has previously pointed out, it would be difficult to say in how far the idea is a purely British one and in how far it has been cleverly fostered by those who wish to make use of the privilege to spread their plans for undermining the Empire and the institutions upon which it has been built. In any event there can be no doubt but that present day audiences in Hyde Park hear more fuzzy, foreign theories of government than of honest British born ideas of reform. And when these efforts are directed at disturbing relations between Canada and the Empire, Col. Hatch is quite right in entering a protest.

CUT THE COST

WHATEVER the good intentions of parliament at the opening of the session to curb expenditures and enforce real economy there was little indication of actual accomplishment as the session proceeded and the appropriations voted in the dying hours were quite in keeping with the usual concluding proceedings. Likewise the proposed reorganization of the Civil Service to reduce expenditures by merging certain departments and services and preventing overlapping has never materialized, although a report by a committee of the Senate has now been made in this connection. The Ottawa Citizen says:

> Before the session began an order-in-council was passed authorizing the audit board to inquire into the cost of the civil service, and to that end to ascertain the exact number of government employees, by what departments they are employed and what is the individual salary and the aggregate of all salaries. The Bureau of Statistics was to do the compiling. Auditor General Gonthier stated yesterday that the report has not been received as yet.
>
> The plan which was entertained was that, where possible, branches might be merged and overlapping of duties and overstaffing prevented. Likewise a greater consolidation of offices instead of buildings being scattered was proposed. Much of this work is held up until the census of the service is completed.
>
> The necessity for action along these lines has been affirmed by the Senate committee on the civil service, which presented its report last week, declaring the service to be over-manned and urging that where vacancies occur they be not filled save where absolutely necessary. Senator Dandurand made some pointed remarks in the Senate last Saturday along these lines. The disposition of the departments is to give effect to these proposals as far as possible.

It is promised that steps are to be taken shortly to consider the consolidation of the various tax collecting branches of the public service and it is to be hoped that this will be the fore-runner of more general changes in the Civil Service which will benefit the Canadian taxpayers. The report of the Senate committee would seem to at least provide a starting point.

TO READ the various attacks on the Senate and the charges against the Senators one would hardly conclude that these men—apart from being Senators—are looked upon individually as good citizens and loyal Canadians.

Jean Baptiste Baillargeon Keeps Montreal Folks on the Move

He Is Canada's Greatest Moving Man and He Owns the Largest Warehouse on the Continent—A Few Years Ago He Started With a Couple of Small Wagons

By Floyd Chalmers

Around May 1, in Montreal, anywhere from 30,000 to 40,000 families change homes. If you have never been in Montreal on "moving day" you will not appreciate what May 1 means. If you have been there you know that everything on wheels, from five-ton trucks to push carts, is commandeered to help in the grand exchange of places to live. The reason is, briefly, that nearly all the leases for homes in Montreal are dated to expire on May 1, and hence the whole town is forced to do its moving on or about the same day.

The man who has most to do with handling this seemingly impossible task is J. B. Baillargeon—Jean Baptiste Baillargeon—as French-Canadian as his name, and as smart a business man as there is in Montreal. He has built up the biggest moving business in Canada, and one of the largest in the world. And he moves most of the people who move in Montreal. Baillargeon moves 30,000 families a year. Counting five people of the family—which is a pretty small figure for an average Montreal family—that means handling all the moving business of a city of 150,000 people. Probably 20,000 of these families are moved in the short space of time from about the middle of April to the middle of May. His staff of 300 is augmented to 800 at this period, and the 800 work about 23 hours a day without stopping to eat. On the night of May 1 last it started to rain in Montreal and a man got up to close his window. This was about 3 o'clock in the morning. Looking out at the street the man saw Baillargeon's trucks lined up, with men scurrying in and out of houses carrying chairs and stoves and rugs.

Moves 25,000 Pianos Yearly

Baillargeon moves 25,000 pianos in a year, and there are few pianos in Montreal that Baillargeon does not move when they go from one part of the city to another; from store to home, or from home to store, when the instalments are not paid.

Baillargeon takes in over $400,000 a year for moving folks, and in the short period around the first of May he takes in over $100,000. They say that Baillargeon makes the bond interest on his beautiful new storage warehouse—the largest on the continent—in two weeks out of the whole year.

The man who built up this establishment is still in his forties. It has taken him less than twenty years to build up his business. He was a farmer's son, but he came to Montreal with the intention of starting in business for himself. This was in 1900, but he was not yet of age, and when he went to sign the lease for a property on St. Catherine Street, the lawyers told him he could not sign a lease as he wasn't of age. But he sent to Laprairie for his father, and Baillargeon père signed the lease that put his son in business. The young man had about $1,500 that he had collected together by selling all his assets and prospects, and he put this into the establishment of a small feed and grain business. Business was slow and the profits came in just about quickly enough to pay the rent and write off depreciation on the old mare. So Baillargeon put the mare to work delivering trunks at 25 cents apiece. Business in this line was better, and pretty soon the feed and grain business was a sideline, and delivering trunks the main business. He soon had three horses and three light express wagons.

His Small Beginnings

Those three outfits were the beginning of the J. B. Baillargeon Express Company. In five years, Mr. Baillargeon was able to buy out the Rochon Express at $45,000. To-day the three express wagons have grown to three hundred wagons, thirty-two motor trucks, special-delivery trucks of all kinds, warehouses, smith shops, safety vaults, etc.

He has a wagon shop where all the Baillargeon wagons are made. And some very advanced styles in wagons and trucks are turned out. There are long and snaky wagons with tiny wheels that transport fifty-ton vaults through the streets. There are big vans, the size of a small house, that move a couple of families at a time. There are caravan wagons built to look for all the world like freight cars, with real brake wheels on top, sliding doors and numbers. He hooks these together, and a remodelled tractor with wheels instead of treads pulls them along provincial and state highways. The tractor has a frame on it like a locomotive, with bell, cow-catcher, engineer's house, and all the trimmings. When the little locomotive runs along the streets of Montreal it is followed by dozens of ragged urchins who delightedly chase it and try to catch up with it. But it is no toy. It pulls the contents of half-a-dozen homes. He will move this many families to New York, and the caravan will not stop for a moment on the whole journey. One of the wagons contains a kitchenette, and a couch, and while one driver eats or sleeps, another driver relieves him at the wheel.

More Like a Banking Home

Baillargeon's new warehouse, erected last summer, is the largest and quite the most up-to-date building of its kind on the North American continent. Eight stories in height, it has a floor space of over 100,000 feet, while the total capacity is over 2,000,000 cubic feet. Entering the beautiful building through two huge gold-metal doors at the front entrance, one finds oneself standing like a pigmy before a magnificent

JEAN BAPTISTE BAILLARGEON

marble hall that looks for all the world like the general offices of some large trust company instead of the offices of a cartage agent. But it must be remembered that Mr. Baillargeon is more than a cartage agent. He is a cartage magnate.

With artistic walls and pillars of marble, this cartage office deluxe gives an impression of stateliness and freedom. There is a richly-carved fireplace, while to the right are the highly-polished mahogany desks and other ultra-modern equipment of the general offices. An interesting feature of the outfitting of this office is the horseshoe design work of the lighting effects, every one of the chandeliers bearing a score or more shoes in silent tribute to the mute pioneers who helped build up the Baillargeon business.

His Office is Pretty Nice

Mr. Baillargeon's ability to lift warehousing to the plane of art is demonstrated in his own private offices on the mezzanine floor. It is one of the best-equipped and most tastefully-outfitted offices in Montreal. It would do credit to any bank president. A pleasant feature is the bathroom, with shower, which lies adjacent to the office. And talking of features, the Baillargeon warehouse is said to be the only one on the continent which has a separate vault for every set of furniture in storage. Walking down the long, low passageways with these fireproof vaults on either side, one is strangely reminded of a prison. But there is a big difference between Baillargeon's vaults and a prison's cells, for in the former the Baillargeon folks claim the inmates do not come out worse than they went in.

That is a little bit about the business of the man who keeps Montreal on the move. He has been president of most of the warehouse men's and draymen's associations anywhere in the world. He replaces every article that gets scratched or broken in the hands of his men. He has put romance into a drab, uninteresting business. He says that he has just started to grow.

Western Farmer-Banker says Debt Burden Must be Eased

G. G. Coote, Former Bank Manager, Who Last Year Raised 70 Bushels of Wheat to the Acre, Expresses His Views as to What Parliament Should do for Western Canada

Among the members of parliament from Alberta, G. G. Coote, who represents Macleod, stands out prominently, because of his efforts in the House banking and commerce committee to secure such changes in financial conditions as will, in his opinion, relieve the condition of western agriculture. He has brought to the consideration of these subjects practical banking experience, having at one time been a bank manager in Alberta.

Mr. Coote is also a good farmer, having won the distinction for practically the highest yield of wheat per acre last year in the prairie provinces. A man who can report a yield of over 70 bushels to the acre is "some farmer." The member for Macleod holds that the debt problem is the great big issue out West, and that permanent improvement in conditions out there will not come until some solution is found for it. He holds that the farmers are burdened by the interest on debts that they can't meet. He holds that the governments must step in and help provide a solution. To THE FINANCIAL POST Mr. Coote made the following statement, just before he left for home.

The outstanding problem of the farmers in Western Canada is the enormous debt with which they are burdened. There are a number of causes which account for this situation. In many parts of the West an extraordinary series of crop failures occurred during the years of 1917 to 1921. Farming operations in these years were conducted at excessive costs so that instead of profiting from their farming operations during these years of high grain prices many farmers simply piled up additional debts.

Early in the war the government entered upon a "greater production" campaign and farmers were urged by the press to produce to the maximum. As a result of these campaigns many farmers increased their land holdings, buying land at inflated values and, as I have already pointed out, the attempt to produce during these years simply added to the farmers' indebtedness. So far as Western Canada is concerned we can only guess at the number of farmers who have become bankrupt, or who are remaining on their property merely through the leniency of their creditors, but I think it is quite safe to say that probably more than one-third of the farmers in Western Canada are retaining their property under these conditions.

An effort to alleviate this condition has been made by some of the provincial governments through the creation of debt adjustment bureaus. The operation of these bureaus is limited because of the fact that the provincial government has not the power to give the debt adjustment commissioner any compulsory powers. The aim of the debt adjustment commissioner is simply to endeavor to arrange a voluntary settlement by the creditors with bankrupt farmers, and it is impossible for him to make this arrangement unless all the creditors are agreeable to the compromise. In most cases the farmer will have a number of creditors and it often occurs that probably all but one of these realize the position in which the farmer is situated and would be willing to make some reasonable compromise in regard to their claims. But, as I have already pointed out, if one of the creditors refuses to agree to such an arrangement, the commissioner is powerless to effect any relief to the farmer or a settle-farmer himself.

Interest Rate too High

I believe that the only solution for this distressing situation is the adjustment of the debts of probably 30 per cent. of our western farmers. The rate of interest which they are paying on this huge indebtedness varies from a minimum of 8 per cent. to maximum of 12 per cent. or 13 per cent.

In view of the fact that the farmer's production has a purchasing power of approximately 55 per cent. compared with pre-war days, I think it would be generally admitted that no farmer can possibly afford to pay such rates of interest. I believe the only efficient remedy for this situation would be a limitation of the rate of interest which might be charged on this indebtedness at probably 6 per cent. per annum and in addition to this adjustment of the debts and providing for the appointment of a commissioner with full compulsory powers to arrange adjustment of debts in all cases on a basis which might be agreed upon by the farmer and a majority of his creditors. Under this legislation it should be possible for the farmer to secure a refunding of his debts over a period of years with a lower rate of interest and under which provision would be made that any money which he might be able to pay on account of this debt would be distributed pro rata among his creditors. I think it would also be advisable to amend the banckruptcy act by adding thereto a section dealing with the bankruptcy of farmers alone as they are now excluded from Part 1 of the Act which makes it practically impossible for a bankrupt farmer to secure a discharge after going through the bankruptcy court.

Are Leaving Country

If such remedy is not provided a large number of our farmers are going to be driven off their farms and will emigrate to the United States as this is the only way in which they feel they can get rid of their debt.

This question is of vital importance to not only the farmers, but to our financial institutions, our manufacturers and our laboring classes as under present conditions everything which these farmers produce over the bare cost of living is being taken to pay lawyers' fees, sheriffs' fees, court charges and excessive interest rates the result being that the farmers' purchasing power has been so greatly curtailed as to bring about virtual stagnation in many lines of business. Before we can hope for a true revival of business in Western Canada we must solve this problem of enormous debt resting on the shoulders of our farmers.

Some Suggestions

In addition it is very necessary that an adequate system of agricultural credits should be provided for Western Canada. Our leading bankers and captains of industry who give a thought to the subject, see the need of this. Such a system by reducing interest rates, would assist those farmers, who, while still solvent, are being weighed down through excessive interest rates. It is for the purpose of relieving such, rather than for the purpose of providing them with a great deal of new credit, that the introduction of such a system is suggested. Something of this nature should be done to prevent farmers who are still solvent, from sliding into the morass of bankruptcy.

Incidentally it might be added that the reason there have not been more cases of bankruptcy among the farmers of Western Canada is because the Bankruptcy Act is of very little use to farmers who have gone broke. So, if the number of bankruptcies reported is not larger, it is not due to the fact that this unfortunate condition does not exist, but that there is not the machinery for disclosing it.

BURNS TO BUILD ABATTOIR

PRINCE RUPERT.—P. Burns & Company has applied for right to construct an abattoir in this city at a cost of twenty-five thousand dollars.

When Golf Breaks Into Weekly Market Letters

Maybe Sir Joseph Flavelle objects to mixing golf and business on the ground that the combination becomes too much golf and not enough business. Whatever his reason, it must be admitted that golf and business are clashing a little bit in some places. For instance, in the market letter of an Eastern spice merchant who breaks off from a long discussion on red peppers, cinnamon and other spices to say:

"At such a time of shortage and narrow assortments and incessant and increasing needs, the broker is under the harrow to a large extent, and must remain in the garage on guard. His brief week-ends must be devoted mostly to persuading the cook to remain until the succeeding week-end, and taking up golf. We took it up last week, but are thinking of laying it down again. It is nothing but the doubtful rest theory of substituting one kind of worry for another. One tees up the ball, and smacks it, and lo, it lands, not on the fairway, but far out in the wine-dark sea. Or, if it lands right at first, the second shot will but drop it in the tangled sedge where a weasel couldn't find it. And all this time, not a mile away, forninst the breakwater, the emperor of all the striped bass, is still parading along in fancied security.

"But, breaking off this sad reel of fading summer, let us at least say a few misguiding words about the different articles from which our meagre pittance is extracted. . . . ."

At which point the market letter goes back to Malabar and Singapore White.

CURRENT OPINION

CHERCHEZ LE BOCHE
New York Herald

Olympic officials, as well as detectives who are trying to trace the perpetrator of assaults on Americans at the France-American rugby game, now believe such disturbances are the work of a group bent on destroying friendly relations with the United States in more than a sporting sense. Attention has been called to the fact that, while the French press generally spoke in the highest terms of the American teams before and after their contests, a small group of Communist and Anarchist papers has persisted in harping upon "American brutality" and "prize-fighting methods." Watchers will be stationed at various points of the Colombes and Pershing stadiums during the next meetings to look for paid disturbers.

LITTLE DIFFERENCE
Hardware and Metal

Few people realize how small is the actual difference between good times and bad. Take for instance, unemployment. A decrease of five per cent. in the number of men employed is not in itself a large decrease, and yet it is sufficient, in its psychological effect upon the general public to make good times bad, or rather to give the impression that times are bad, and yet 90 per cent. would be working and their buying power unimpaired. To counteract this influence, therefore, it is necessary to emphasize any good points there are in the condition of affairs generally, and to show that there is, in any case, a large amount of business to be done and that many businesses are getting more than usual rather than less.

A TAXATION BOARD
Vancouver Province

Against his own better judgment the minister of customs has been prevailed upon to drop his plan for an advisory board on taxation. There is a fairly well-founded opinion abroad that Canada is over-governed, and in view of the crying need for economy, there is a feeling that the machinery of government should not be increased. At the same time there is no doubt the taxation system of the country requires looking into, if, indeed, the hodge-podge of enactments can really be called a system. It has grown up through years and has been based on no scientific principles at all but on the varying whims of successive governments, and the needs of the moment, and little care has been taken to consult the convenience of the business community or of the people generally in making the levies.

The same methods have been followed by Dominion and provincial governments and in consequence we have the provinces encroaching on the municipal field and the Dominion invading the field which was once regarded as a provincial preserve. As for the ultimate consumer, he has become the ultimate victim, and he pays for legitimate expenses, for complexities and conflicts and duplication of machinery, and with what measure of cheerfulness he can summon forth he puts up with imposts and penalties and nuisance stamps. He has no longer any enthusiasm for paying taxes but he wouldn't mind providing for an advisory board if through it he could see some hope of simplifying the whole thing.

PERSONAL

BENJ. G. LAMME, the man who designed the first generators to harness Niagara Falls, died recently in Pittsburgh. He was chief engineer of Westinghouse Electric Co., the only people he ever worked for. He was regarded as being one of America's great triumvirate of electrical engineers, of whom only Edison remains, Dr. C. P. Steinmetz having predeceased Lamme some months.

PLATINUM METAL OUTPUT

Production of platinum group metals in Canada for 1923 was derived almost entirely from the nickel copper ores of the Sudbury District. A small amount of platinum was recovered in placers around Tulameen, B. C., with small recoveries by the Royal Mint from the treatment of old jewellery and scrap.

Production as compiled by Dominion Bureau of Statistics was valued at the average New York quotation for the year and follows:—

	Ounces	Value
Platinum	1,210	$141,010
Palladium	1,732	138,560
Rhodium, Iridium ...	304	45,000
B. C. Placers—		
Platinum , ...	7	816
	3,253	$325,386

OPPORTUNITIES IN ODD AMOUNT BONDS

In an active bond market, such as the present, there are excellent opportunities for picking up odd amount bonds of Canada's Provinces, Municipalities and Industries.

In our current odd amount list there are a number of very attractive odd amounts. Among these are bonds of the Provinces of Alberta, Manitoba, New Brunswick and Ontario; Cities of Calgary, Edmonton, Halifax, Hamilton, London, Montreal, Niagara Falls, Port Arthur, Toronto, St. Catharines, Sherbrooke, Sault Ste. Marie, etc., etc.

There are also a number of corporation bonds.

The yields vary from 5.15% to 7.20%.

Copy of Odd Amount List gladly sent on request.

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Investors' Inquiries

LITTLE SLAVE OIL

Ontario Inquirer.—What has been the fate of Little Slave Oil Syndicate, shares of which were sold at $125 each.

We could not definitely trace Little Slave Oil, but one broker said he had heard of the concern and thought it was one of the early syndicates in MacKenzie River rush. These concerns are all gone. Guarantees to return are only the promises of the people making them.

BUFFALO HEAD OIL SYNDICATE

Lawyer, London.—A client bought shares of Buffalo Head Oil Syn. from R. E. Day & Co., Toronto, at $125. It was agreed that if the lease was not secured the money should be returned. They have heard nothing since paying the money, although one of them called on Day in Toronto, and was told that he might as well burn his papers.

We have been unable to locate R. E. Day and Co., brokers, in this city. We are informed Day left for California nine or ten months ago. Nothing is known of Buffalo Head Oil Syndicate.

WESTERN GROCERS

Alberta Investor.—What do you think of Western Grocers pref. as an investment?

We would not look upon Western Grocers preferred as a first-class investment. One reason is that the issue at present is back in its dividends, the company having passed them in the fourth quarter of 1922. and has paid nothing since. Then again, you living in the West will appreciate that business is very much subject to the ups and downs of the crop situation. The company is efficiently managed. At the time the dividend was passed the directors announced that while business had not declined, they were making a move to conserve finances for future operation.

GREATER CANADA SECURITY

Toronto Reader.—I would like your opinion on Greater Canada Security Corp. Will this organization ever amount to a regular dividend-paying institution? I hold shares of 8 per cent. preferred and common stock. I am thinking of selling it by sacrificing my common. Is the move a wise one?

Greater Canada Security Corp. is a second-mortgage company. We have frequently pointed out that such concerns have a very good chance under efficient management to make a success when the real estate business is good. However for some considerable time we have had a declining market in real estate, and the majority of these companies are not doing so well. We think that you might have difficulty in getting a market for your shares.

ILLINOIS POWER & LIGHT

Banker Ontario.—We shall be glad if you will advise us as to the desirability as an investment of 7 per cent. cumulative preferred stock of the Illinois Power and Light Corporation. Is this the outgrowth of the Illinois Traction Company, and would you consider it a suitable investment for a lady?

The 7 per cent. preferred stock of new Illinois Power and Light Corp. has excellent earnings and assets to support it and might be regarded as an investment of reasonable safety. Nevertheless we do not feel that it is exactly the type of investment for a woman who may be somewhat inexperienced in investment matters and who is dependent to any degree upon her investment income. It would be better to purchase preferred mortgage bonds of one of the sounder Canadian public utulities.

TOUGH-OAKES BURNSIDE

I notice that Tough-Oakes-Burnside is selling around 56 and a short time ago it sold up to 64. It has been said that the drop was to scare out the small shareholders before it started to increase. Do you think the stock a good speculation?

Tough-Oakes-Burnside gold mines are a speculation of considerable promise. The company has been making fairly good progress under good management in the blocking out of ore, and they plan to get their mill operating in September. Our best information is that they will be well able to carry out this program. The mill is an efficient one, and the company should enjoy good earnings. We would point out, however, as a point of caution, that the capitalization of this company is $5,000,000.

ORE CHIMNEY MINES

Banker, Ontario.—Can you furnish any information about Ore Chimney mines, in Tweed? They claim to have their own power developed and plenty of valuable ore in sight, ready for the mill, when the machinery is installed.

Promoters of Ore Chimney Mines have been selling stock in this proposition for the past ten years. They do not seem to be making progress either in their stock selling proposition or in their mining venture. They have spent a great deal of capital in one way or another in switching plans and milling equipment. We could not recommend the purchase of this stock.

L. R. STEEL SHARES

Maritime Magistrate.—What value is there to shares of L. R. Steel realty? I have 30 preferred and 15 common of Buffalo New York Co.

Shareholders Protective Trust Co. of the L. R. Steel purchased the assets both in Canada and the United States of the L. R. Steel Co. from the official receiver. This practically means the wiping out of the old L. R. Steel Co. in toto. The L. R. Steel Protective Trust will operate under the name of Steel Consolidated and is made up and financed by old shareholders of the Steel enterprise who put up ten per cent. of their original stockholdings, and, in this way, the assets were purchased from the official receiver. Our advice is that the old Steel shares are worthless.

DOMINION STEEL PREFERRED

F. L., Saskatchewan.—Would you kindly advise me on the following: I own twenty shares of Dominion Steel Corporation preferred, purchased at 70. Would you advise my buying more of them at present low market so as to even down the price, or should I sell and take my loss now and buy C.P.R.?

Dominion Steel Corporation is in the most favored position of any of the British Empire Steel Companies. The preferred stock ranks, in the ultimate analysis, ahead of any other preferred or common issue of the British Empire Steel Corporation or its constituent companies. This does not necessarily mean that dividends will be resumed before the resumption of dividend payments on the other preferred issues, but it does mean that dividends cannot be paid on the other issues without being paid on Dominion Steel. Dominion Steel preferred is in the better position because it is secured by the deposit of income bonds of Dominion Iron & Steel Corporation and income bonds of Dominion Coal Corporation which would rank ahead of the preferred share of those two subsidiary companies.

Dominion Steel preferred is an excellent speculation at the present time we would consider, and if you are in a position to add to your holdings without too greatly weakening your present investment holdings, it might be advisable for you to purchase more shares around the present market in an attempt to make, over a term of years, a profit on the entire investment.

LOANS ON POLICY

Merchant, Nova Scotia.—Are there any loan companies that will loan money on insurance policies? I have a $10,000 policy two years old which I would like to raise money on for ten years, returnable one-tenth each year, with interest.

We do not know of any loan companies which make loans on life insurance policies. The modern life insurance policy is so drawn that the premium not only pays the cost of carrying the risk on the life of the insured, but also provides for building up an equity in the policy. As this is a definite sum which can be realized on the policy, it has specific loaning value. In these cases the insurance company is always willing to make a loan close to the equity or cash value. These cash values do not usually start until the third year.

Life insurance is now used to a great extent as credit for loans, but it is always a secondary credit. Its value lies in the fact that it supplies ready cash in the event of the debtor dying. Thus the ability of the borrower to repay the loan while living is replaced by the insurance after his death. Moreover, the fact that the borrower has life insurance, is often taken by the lender as an indication of thrift, a favorable consideration when a loan is being applied for.

DOMINION TEXTILE

G. E. C., Alberta.—Is Dominion Textile common a good investment, in your opinion? Glad to get your views.

The ability of Dominion Textile to hold up its profits in the face of some unsatisfactory conditions in the textile industry were well demonstrated by its annual report of 1923-1924 fiscal year, which was issued a short time ago. There is still some possibility of further tariff changes. that might adversely affect the corporation, but, on the whole, such a powerful financial position has been built up that the company should have no difficulty in keeping its earnings maintained from year to year. The common is not cheap at the present price. True, it has sold higher than this during the past year, but that was in expectation of an increase in the dividend rate of from 4 to 6 per cent. We do not believe that any early increase in the dividend rate is contemplated; action along this line will probably be deferred until conditions in the textile industry are more firmly established. The stock is sound and always worthy the attention of the investor.

CLARK GOLD MINES

Better Business Bureau, New York.—We have received a request for information on Clark Gold Mines. Any information you can give will be appreciated.

Clark Gold Mines Corp. made application under the revised statutes of Nova Scotia, 1923, to take out certificate of registration. The registration has not been completed. The application reveals that the company was incorporated under the laws of the state of Delaware. head office 309 People's Bank Building. McKeescort, Pa., nominal capital $1,500.000, capital subscribed and paid $828,000. This application was filed several months ago, but nothing has been done in regard to carrying it further. Some little time later the same company presented to the mines office for registration several transfers of gold claims.

A clause in Section 28 of the Mines Act reads "'lessee shall not at any time during the term of the lease held by him, or any renewal thereof, assign, transfer, or set over, mortgage, or otherwise practice with such a lease, or any rights thereunder, to any person whomsoever, without the consent of the governor general-in-council first had and obtained for the purpose and signified under the hand and seal of the minister. Subsequent ratification by the governor-general-in-council signified by the hand and seal of the minister, shall have the same effect as previous consent." In this regard we might say that the above transfer which the company presented has never been consented to by the governor-in-council in Nova Scotia, and, therefore, the Clark Corporation has not had the transfer ratified.

It would seem that there is not anything substantial to the holdings of this company, which is purported to be operating in Nova Scotia.

SPECULATION IN GOLDS

Reader, Bridgewater.—I am thinking of buying some mine shares. How about Crown Reserve, Lorrain, Teck Hughes, or any other you might think will eventually prove good?

Crown Reserve is making an offer of 1,000,000 shares of stock to shareholders of record July 21, at 60 cents per share. The purpose of the new stock issue is to raise $600,000, which will be required to place the property on a producing basis. The proposal of the engineer, Maurice Summerhayes, is to erect a 250-ton mill. He states that 128,000 tons of ore have been developed, of a gross value of $890,000. The estimated cost of a 250-ton mill is $250,000. The balance of the funds is to be used to carry on an increased development program underground. The venture is regarded as a speculation of merit.

Teck-Hughes is producing between $90,000 and $100,000 per month. An intensive development program to open up the mine at deeper levels below the 1,000 foot level is now going on. This means heavy commitments for development work, and it is also the intention of the company to erect a new mill. While there have been rumors of some new financing, by the sale of shares in the treasury, so far no definite action has been taken on the part of the company, the development work to date being paid out of earnings. Teck-Hughes is well regarded as a speculation, but the dividend period seems a long way off. There are many who regard the present market price of the stock as being too high.

Lorrain Consolidated is operating a property in South Lorrain, east of the Keeley and Mining Corporation properties. A short time ago, when the stock took a fairly rapid rise to 28, the company had encountered a high-grade shoot of ore. It is understood that this is holding out fairly well, and in the meantime development is being carried on to cut two other veins. It is understood that the company recently did some financing, raising a block of stock at 25c., though no official announcement to this effect has been made. We would regard the issue as being quite speculative.

Tough-Oakes-Burnside should show a fairly good enhancement in market price in course of the next year. Stock is now selling around 57c. and it has been officially announced that the mill on the property will be open on September 1. In the past few months, before the slump in the market came, the stock sold up to 72c. It is understood that ore reserves are sufficient to operate the mill for about two years.

Newray and Goldale are considered speculations of merit for a long hold.

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Four Cardinal Rules in Business

By WILLIAM M. WOOD,
President, American Woolen Co.

The Square Deal. This is simply the Golden Rule which is as old as Christianity and older. Now any principle which has survived the experience of the human race thousands of years must be taken as expressing one of the great basic laws of life. There are those who profess to believe that business is governed by the rule: "Every man for himself." The answer must be that if that were carried out universally, not only would the devil take the hindmost; he would take the foremost and everyone in between. Why? Because the world of business, like the world of social life, is so regulated that only by paying attention to the needs of our neighbors can we gain good for ourselves. We are human beings before we are business men. Ibsen in his play "Hedda Gabler" makes one of his characters say to Hedda, "Remember first of all that you are a wife and a mother." "Certainly not," was her reply, "I shall remember that I am a human being."

Charles Dickens in his famous story, "A Christmas Carol" makes Ebenezer Scrooge comfort the ghost of his old friend and partner, Jacob Marley, who when alive was a strong believer in the doctrine, "Business is business" and a strong disbeliever in the human touch in commerce.

"But you were always a good man of business, Jacob." "Business!" cried the ghost, wringing his hands. "Mankind was my business. The common welfare was my business; charity, mercy, forbearance and benevolence were all my business. The dealings of my trade were but a drop of water in the comprehensive ocean of my business."

Don't let us wait, my friends. till we are all ghosts like poor Jacob Marley before we learn this lesson. Incidentally we ourselves and our business will grow in richness and strength in proportion as we obey the Golden Rule.

Live Up to Your Word.—What greater thing can be said of any man than this: "His word is as good as his bond." The Bible tells us that the good man is he who keeps his promise even though it be to his own hurt. And sometimes it happens that the keeping of one's word does hurt in one way or another. We can sometimes save ourselves trouble if we conveniently forget what we have said. But in the long run we injure ourselves. Men will say: "Beware of that man; you cannot trust him except so far as it suits his own interests." There is something sacred about a man's word. On its sacredness all credit is built and on credit not only commerce but civilization rests. Ultimately, character which invites confidence is the guarantee of success. There is an old legend told in the Jewish Talmud that a great Rabbi who had been dead and buried for 100 years was dug up and to the amazement of the diggers his body was found to be as fresh as when it was laid in the grave. People wondered and asked the meaning of the miracle. At last it was discovered that he had never been known to break his word. Our business reputation will be unsmirched by any stain if we live up to every promise we make.

Discourage Gossip and Encourage Loyalty.—Gossip, that is, idle talk without any sound foundation, is a prolific breeder of mischief. It is the mark of a vain, shallow and sometimes malicious nature.

Many an innocent man and woman have been ruined by it for life.

In business it is detestable. The subordinate who comes to one higher up with an injurious tale about a fellow-worker, generally does so from a mean motive. Vanity is his besetting weakness, and the man in authority who listens to gossip is equally guilty and is liable to be betrayed into an act of cruelty or injustice. The safe rule is, listen to no stories about another except in that other's presence. The result will be corporate responsibility and good team work. Gossip leads to mistrust and mistrust weakens the bond of fellowship in a great industry.

Promote within the company the most efficient man.—This rule is based on two solid pillars—justice and expediency. It is just that the man best equipped by knowledge and skill should be in the higher job. And in turn, the success of an enterprise depends on this quality of the men who occupy the executive positions. The men at the head of departments or mills should remember that one of their duties is to discover those who show promise and give them every opportunity to acquire the needed knowledge for an advance.

To-day, more than ever, efficiency is the watchword in business. The crucial question is: Can you produce results? You may be a great wit, you may excel in all social graces and everybody may speak well of you as a good fellow—it matters not. Can you get results? Can you do things?

"Produce! Produce!" cries old Thomas Carlyle, himself a great worker.

"Even though it be an infinitesimal fraction, in God's name, produce it!" Well, that is the cry of business to-day.

Here is a word of encouragement for every man. Given character, industry, and determination to succeed; and with fair luck the individual is bound to rise. Nobody can keep personality down. Be ambitious to work with all your might and to excel, only never forget to help a lame dog over the stile as you journey along the path of life. Cast your bread upon the waters and it will return after many days—if not a large loaf, at least a piece of well seasoned dough.

RSC
INVESTMENT-SERVICE

Real Estate Mortgage Bonds

One type of bond which has a great appeal to prudent investors is that secured by mortgage on revenue-producing metropolitan real estate and buildings. It is, indeed, one of the oldest forms of investment.

We offer a selection of bonds of this class. The security in each case consists of ideally located city land and modern buildings. Income is sufficient to cover interest requirements by a comfortable margin.

May we send you full particulars? If so, write—

Royal Securities CORPORATION LIMITED

164 St. James Street
MONTREAL

Toronto Halifax St. John
Winnipeg Vancouver

August Dividend Payments

Dividends	$ 3,681,042
Bond interest	10,325,012
	$14,006,054

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Amer. Salesbook, pref.	1¾q	1	$53,782
Belding, Corti., com.	2s	1	14,990
Brompton Pulp, pref.	2	7	40,000
Canada Cement, pref.	1¾q	16	183,750
Can. Converters	1¾q	15	30,336
Cedar Rapids	¾q	16	66,750
Coniagas Mines	2½q	2	100,000
Dominion Bridge	1q	15	65,000
Donnacona Pap., com.	2q	1	30,000
Famous Players, pref.	$2q	30	80,000
Hollinger Mines	1m	11	246,000
Inter. Nickel, pref.	$1.50q	1	133,689
Kaministiquia	2q	15	49,940
Lake Shore Mines	2q	15	40,000
Loew's Buffalo, pref.	2q	1	26,720
Mortg. Corp. of N. S.	1½q	1	8,289
Monarch Knit., pref.	1¾q	1	13,125
Mont. L., H. & P. Cons.	1¾q	15	1,130,620
Montreal Power	2q	16	376,000
Montreal Tramways	$2.50q	1	99,827
Murray-Kay, pref.	1¾q	1	17,500
National Brick, pref.	1q	15	33,396
Ontario Steel, com.	1q	15	7,500
Do., pref.	1¾q	15	13,125
Penmans, com.	2q	15	43,012
Do., pref.	1½q	1	16,125
Robin, Jones, White, p.	1½q	1	12,720
Russell Motor, pref.	1¾q	1	21,000
St. Law. Flour, com.	1½q	1	18,000
Do., pref.	1¾q	1	10,062
Steel Co. of Can. com.	1¾q	1	201,250
Do., pref.	1¾q	1	113,684
Western Trust	3s	1	30,150
			$3,326,342

BANKS

Bank—	Rate	Date	Amount
Imperial	3q	1	$210,000
Standard	3q	1	120,000
Sterling	2q	14	24,700
			$354,700

q—Quarterly.
s—Malf-yearly.
m—Monthly.

BOND INTEREST

Company	Rate	Due	Amount
Abitibi Pulp	6	1934	$96,945
Algoma Central	5	1962	124,817
Canada Bread	6	1941	32,322
Canada Foundries	6	1942	5,067
Canada Paper	6	1938	4,500
C. Steamships (deb.)	5	1943	121,342
Can. Nat. Rlys.	5	1954	1,250,000
Do.	5	Sev.	562,500
Duluth S. Shore	4	1990	302,140
Harris Abattoir	6	1928	19,440
Holt, Renfrew	6½	1937	19,500
Illinois Trac. A. & B.	5	1925	75,000
Inter. Tissue Mills	6	1935	9,600
Havana Elec.	5	1952	201,727
Lyall Cons.	6	1932	22,659
Maple Leaf Mill.	6½	1943	65,000
Mexican Light	5	1933	283,512
Price Bros.	6	1943	300,000
Rogers, Wm. A.	6	Sev.	12,750
St. Maur. Power	6½	1953	293,362
C. N. R. Sifton Br.	4	1929	22,746
Do., Man. & S. E.	4	1929	10,248
C. N. R. Notes	6	1924	130,470
Wpg. Sub. Rap. Tram.	5	1938	12,500
Wayagamack	6	1951	137,415
Woods Mfg.	6	1916-31	9,450

Corporation	$4,125,012
Municipal	x3,400,000
Provincial	x2,800,000
	$10,325,012

x—This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

Government and Municipal Bonds

Bought — Sold — Quoted

Wood Gundy & Co.

Montreal 36 King St. West New York
Winnipeg Toronto London, Eng.

McDougall & Cowans

Members of the Montreal Stock Exchange

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In many instances holders of Victory Bonds would profit by converting their bonds into other securities of equal safety and saleability.
We will gladly advise you on this and other investment matters.
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We Offer
The Toronto Carpet Manufacturing Co., Limited
First Mortgage 6% Twenty-Year Sinking Fund Gold Bonds.
Denominations: $1,000, $500.
Due March 1st, 1944
Price: 98 and accrued interest,
YIELD nearly 6.20%.
R. A. DALY & CO.
Members Toronto Stock Exchange
BANK OF TORONTO BLDG. TORONTO — 50 CONGRESS STREET BOSTON

News and Views of Bond Market

N. Y. MARKET IS FAVORABLE FOR FEDERAL LOAN

That is Reading of Railway But Nothing Definite

The announcement that the Canadian National Railways had placed in New York an issue of $20,000,000, three year 4 per cent. notes and a $9,000,000 issue of 15 year serial 4½ per cent. equipment trust certificates, was no surprise. As the money was needed it was expected that the loans would be placed soon after authority to do so had been received from parliament. The favorable state of the New York market was another inducement for an early issue. Moreover, there doubtless was a desire to get this issue out of the way before the large one by the government makes its appearance.

The easy conditions under which this money was secured contrast very favorably with the price paid for money by this system during the last few years. The rate will make a marked difference in the fixed charges for new borrowings, as compared with those which have attended borrowings in the past.

The issue, both in so far as the rate, and the quarter in which it was placed, may be accepted, our Ottawa correspondent says, "as indicative of what will probably happen in connection with the new Dominion loan. Hon. Mr. Robb has said very plainly that he will borrow where money can be obtained the cheapest, which probably means that he will go where all the other big borrowers are going just now. The indications are that if money conditions continue as at present, possibly 70 per cent. of our new government issues this year will go to the United States."

Between Two Markets

However, conditions are regarded as favorable for floating all or part of the necessray financing in Canada should this course be decided upon. The market is comparatively bare and there is likely to be little demand for the next few weeks, but if there is the return from the crop which now seems to be promised and terms are made such as to prove attractive to present holders of the Victory issue, the money would be available it is believed for the necessary financing. As to the advisability from an economic standpoint of borrowing at home and paying interest at home or borrowing abroad and conserving home capital for the development of our natural resources there are two schools of opinion with strong memberships.

What N. S. Issue Told

Apart from the national financing, the interesting event recently has been the Nova Scotia issue. As will be found from the accompanying tabulation the bids asked were on a most complicated basis. It is difficult to reach definite conclusions from the bids accepted, but it would appear conclusive that the New York market is regarded as the more attractive for short term issues, while long term issues will bring a better price in Canada. In some cases the bids for the long term issues, Halifax and New York, from the same houses, indicated an actually better price on the Halifax basis, even leaving exchange out of the question.

The week saw no other important issues and few small ones. The situation shows some change in that there appears to be a quiet period ahead, though there is no sign of easing prices. Institutions have done considerable forward buying, it is felt, evidently believing that conditions for some time will at least be no more favorable. A resistance on the part of investors to the market price trend is indicated in the fact that issues of lower rating as to security are being asked for in preference to the gilt-edge issues which have been advancing. This may encourage municipal financing but this is not likely, because, as previously pointed out, most of the smaller municipalities borrow when they want the money rather than when there is a good supply. On the other hand there are indications that industrial issues will be made to meet the investment demand for a class of securities which will still show the yields to which investors have become accustomed.

Bank Favors Borrowing Abroad by Government

The following interesting contribution to the financial controversy as to whether it is better economics for Canada to borrow abroad or at home for government purposes is from the August bulletin of the Royal Bank of Canada:

The maturing obligations are held almost entirely in Canada, so that if the funds to pay them were brought from south of the border line, a considerable amount of Canadian capital would be made available for other purposes. Moreover an additional consideration in favor of drawing on the New York money market is the fact that the transfer of such a large volume of funds from the United States to Canada would not only bring Canadian currency back to par in New York, but would probably result also in the shipment of gold to this country, giving the Dominion government an excellent opportunity to resume gold payments, and prevent any further fluctuations in our exchange rate with the country with which we do over 50 per cent. of our foreign business.

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co., for the period July 15 to July 21, amounted to 9,434 tons, and for the year to date 260,508 tons.

New Bond Issue for Big Montreal Apartments

From Our Own Correspondent.

MONTREAL.—Another important apartment house is to be financed for Montreal. It is learned that the Royal Securities Corporation is likely to offer a bond issue in a few days on the new Metropole Apartments.

This apartment house will be erected on the Curry property opposite the Ritz Carlton Hotel, and will be ten or eleven stories in height. The exact size is dependent to some degree upon the outcome of negotiations with the city building inspectors, but will run about 60 suites, or over 400 rooms. Senator Nathaniel Curry is one of the backers.

CITY OF LACHUTE ISSUE

By a large majority, electors of Lachute voted approval of the new by-law which authorizes the corporation to issue five and one half per cent. bonds to the amount of $60,000 for the purpose of carrying out various public works, including improvements to water works, completion of new roads and drains, construction of a new steel bridge and a new town hall, and repairs to and conversion of the old town hall. The site on which the new town hall will be erected is a gift to the corporation by J. T. Ayers.

SELL BONDS OVER COUNTER

Hamilton continues its policy of selling its debentures over the counter. Recently a block of $500,000 was placed on sale and the first day $150,000 were taken up. They bear interest at the rate of 5.16 per cent.

Collector Failed to Make Record of Taxes

When the tax collector of Ingonish, N.S., about 50 miles north of Sydney, died recently without having completely posted up his books, he left a memorandum containing the names of many who had paid. This, however, was accidentally destroyed before its contents could be transferred to the tax ledger with the result that no one knows who has paid his taxes and who has not. The new collector is insisting on payment by many who claim to have paid before, and is advertising for sale the properties of some who refuse to pay. The owners, it is stated are threatening forcible resistance, and it is thought that the provincial authorities will intervene to prevent trouble.

A situation such as this could easily happen in any section of Canada, where care is not taken with regard to the immediate entering of the names of those who have paid their taxes, in the tax ledger, and the furnishing of correct official receipts. The new collector is reported to be disregarding the receipts signed by the former collector. This emphasizes the importance of each municipality providing a standard form of receipt which, with the signature of the proper official, will leave no room for uncertainty as to its correctness. Lastly, the incident emphasizes the value of periodic examinations of the books of every municipality. There is room in Canadian municipalities for much improvement in the collection and handling of public funds.

Tabulated Bids in Nova Scotia Issue

No bond issue in some time has brought out such a diversity of bids as the Nova Scotia issue of $3,500,000 placed just a week ago. The province asked for several alternatives and got them. Some of the bond houses even went the province one better and put in bids on other alternatives that what the tender called for. So wide was the interest in the tenders and so close the bidding, that THE FINANCIAL POST below presents the tenders in tabulated form that they might be more easily sized up. The province awarded the issue of $2,000,000 two year 4½ per cent., principal and interest payable in New York, to the Bank of Montreal, First National Bank of New York and Brown Brothers, at 100.17 and interest New York funds, and $1,500,000 ten year 5 per cent., principal and interest payable in New York, to A. E. Ames & Company and Kountze Brothers, New York, at 100.537 and interest Halifax funds. The bids:

Two-year, $2,000,000	4½ N.Y. Funds	4½ Canadian	5 N.Y. Funds	5 Canadian
Harris, Forbes & Co., National City Co.	100.079	100.67	100.737	101.332
Hanson Bros., R. A. Daly & Co., E. H. Rollins	99.11	....	....	....
W. F. Mahon & Co., Halifax; Stimson & Co., Toronto; First National Bank, Detroit; Union Trust, Chicago; First National Bank, Boston	....	....	100.543	....
McDonagh, Somers & Co., Toronto; Rutter & Co., N. Y.; Solomon Bros. & Hutzler, N. Y.	....	....	100.777	....
Wood, Gundy & Co., Toronto; Guaranty Co., Bankers, Trust, Eastern Securities, St. John	100.14	....	101.09	....
Wood, Gundy & Co., Eastern Secur.	....	(a) 97.988	....	(a) 98.989
	....	(b) 98.808	....	(b) 99.758
Bank of N.S., Equitable Trust, N.Y.; Blair & Co., N.Y.	100.661	....	100.905	....
Bank of Commerce	99.716	....	100.661	....
Royal Bank for Bank of Manhattan Co. and Speyer & Co.	....	....	100.25	....
Royal Sec., Chase Sec., Hornblower & Weeks, Redmond & Co., Blodgett & Co., Paine, Weber & Co., Greenshields & Co., Matthews & Co., McKenzie & Kingman	....	....	100.39	....
*A. E. Ames & Co., Johnston & Ward, J. C. Mackintosh & Co.	....	99.89	....	99.877
A. E. Ames & C., Kountze Bros., New York	99.89	....	100.44	....
Bank Montreal, First National Bank, N.Y.; Brown Bros.	100.17	....	....	....

10-year, $1,500,000	4½ N.Y.	4½ Canadian	5 N.Y.	5 Canadian
Harris, Forbes & Co., National City Co.	95.18	95.75	99.08	99.67
Hanson Bros., R. A. Daly & Co., E. H. Rollins	....	....	98.86	....
Wood, Gundy & Co., Guaranty Co., Bankers' Trust, Eastern Securities	96.794	....	100.415	....
Wood, Gundy & Co., Eastern Securities	....	(b) 95.798	....	(b) 99.628
Dominion Securities Corp.	....	96.19	....	....
Royal Sec., Chase Sec., Hornblower & Weeks, Redmond & Co., Blodgett & Co., Paine, Weber & Co., Greenshields & Co., Matthews & Co., McKenzie & Kingman	....	....	99.33	99.9808
*A. E. Ames & Co., Johnston & Ward, J. C. Mackintosh & Co.	....	99.277	....	99.099
A. E. Ames & Co., Kountze Bros., N.Y.	....	96.764	....	100.537
Bank Montreal, First National Bank, and Brown Bros., N.Y.	97.14	....	....	....

20-year, $1,500,000	4½ N.Y.	4½ Canadian	5 N.Y.	5 Canadian
Harris, Forbes & Co., National City Co.	92.57	93.12	98.81	99.394
Hanson Bros., R. A. Daly & Co., E. H. Rollins	....	....	98.643	....
McDonagh, Somers & Co., Toronto; Rutter & Co., N.Y.; Solomon Bros., and Hutzler, N.Y.	....	....	99.879	....
Wood, Gundy & Co., Guaranty Co., Bankers' Trust, Eastern Securities	93.876	....	99.912	....
Wood, Gundy & Co., Eastern Securities	....	(b) 93.808	....	(b) 99.808
Dominion Securities Corp.	....	93.93	....	....
Bank of N.S., Equitable Trust & Blair & Co., N.Y.	....	....	99.19	....
*A. E. Ames & Co., Johnston & Ward, J. C. Mackintosh & Co.	....	93.318	....	99.454
A. E. Ames & Co., Kountze & Bros., New York	93.34	93.888	99.30	99.884
Bank Montreal, First National Bank, and Brown Bros., N.Y.	94.73	....	....	....

20-year, $2,000,000	4½ N.Y.	4½ Canadian	5 N.Y.	5 Canadian
Wood, Gundy & Co., Guaranty Co., Bankers' Trust, Eastern Securities	93.319	....	99.319	....
Wood, Gundy & Co., Eastern Secur.	....	(a) 93.037	....	(a) 99.988
Bank Montreal, First National Bank, and Brown Bros., N.Y.	94.17	....	....	....

(a)—For New York delivery.
(b)—Halifax delivery.
(*)—Bids payable in Canada only.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING JULY 29

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Ask	Latest Price Bid	High	Low
Asbestos	5	1942	7.10	90	79	83½	75	80	—	78½	—
Can. Cement	6	1929	5.53	103½	100	103½	100	102½	100¼	102	..
Cedar Rapids	5	1953	5.10	98½	93	99¾	95	100	98½	98⅜	—
Cons. Rubber	6	1946	6.29	102⅜	98¾	99	95	97	—	96½	—
Dom. Textile (A)	6	1925	6.00	100⅞	99¾	101¼	100	—	100	100	—
Do. (C)	6	1925	6.00	100½	100	101⅛	100	—	100	100	—
Montreal Power	4½	1932	4.86	95	—	97½	92	97½	95½	97½	—
Montreal Trams	5	1941	5.60	92⅜	87½	93⅜	91	93½	93	93⅜	93
Quebec. Rly.	5	1939	6.16	83½	68	88½	80	88½	88¼	88½	88¼
Sao Paulo	5	1929	7.96	90¼	86	89	86½	—	87	87	—
Wayagamack	6	1951	8.20	86¾	75	80¾	74½	76½	—	76¼	—
War Loan	5	1925	4.47	100.95	99.10	101.15	100.15	100.95	100.85	100.75	—
Do.	5	1931	4.83	101.80	99.80	101.90	100.15	—	101.10	101.05	100.85
Do.	5	1937	4.69	103.30	102.00	103.30	102.10	102.95	102.80	102.90	102.80
Victory Loan	5½	1924	3⅛	101.65	99.80	100.90	100.05	100.50	100.40	100.40	100.30
Do.	5½	1927	4.64	103.50	101.00	103.15	102.15	102.85	102.75	102.85	102.60
Do.	5½	1933	4.77	106.70	104.15	106.65	104.30	105.50	105.40	105.50	105.30
Do.	5½	1934	5.06	103.90	101.30	103.60	103.00	103.55	103.45	103.60	103.40
Do.	5½	1937	4.74	108.45	105.25	108.17	106.30	107.55	107.45	107.70	107.40
Do. Renewal	5½	1927	5.00	102.80	100.75	101.80	101.00	101.85	101.70	101.45	101.35
Do.	5½	1932	5.05	103.15	100.80	103.20	101.35	103.10	103.00	103.20	102.90
Do. Refund.	5	1928	4.95	99.70	98.80	100.50	99.40	—	100.20	100.35	100.15
Do. Refund.	5	1943	4.86	99.25	97.90	101.95	99.90	—	101.20	101.95	101.00

Industrial Firms in Large Consolidation

Under the name of National Manufacturing Co. Ltd., recently incorporated, there are being absorbed a number of firms, including:

Cossitt Co., Brockville, (1839) makers agricultural implements.

Canada Stove, Ottawa, (1890) makers stoves, ranges, furnaces.

National Mfg. Co. of Ontario, (1903) with subsidiaries in Saskatchewan and Alberta.

National Manufacturing was first established in 1888 by Thos Delahay, to make cream separators and scales. In 1917 it acquired the Fire Extinguisher business of Reliance Mfg. Co. and two years later the milking machine business of Macartney Milking Machine Co. It is understood that a bond issue with a bonus of common stock is soon to be made through H. B. Robinson Co., Montreal.

New York Bond Level Near After-War Peak

NEW YORK. — On Monday the Dow-Jones average of forty bonds stood at 91.32, within a point of its after-war peak. With money easier than it has been at any other time in many years, it is hard to see how bond market can fail to go still higher before the current movement terminates. Crop-moving and a revival of business this fall will unquestionably result in a seasonal stiffening of money rates, but with the great surplus of funds in the banks of the country pressing for employment no sharp upturn of rates is to be expected. On the other hand, commodity prices are showing a tendency to rise, and extended advances in bonds cannot be expected in the face of a rising commodity market. For the time being the favorable factors would seem to predominate, but the upswing in bonds has probably passed the stage where it was reasonably safe to buy bonds with one's eyes shut.

The Week's Bond Sales

TISDALE BONDS SOLD

Tisdale Tp. bonds, issued for school purposes and guaranteed by the province, were sold to G. A. Stimson & Co., at 105.20. The issue was for $95,500, made up of two lots, both 6 per cent. One lot was $89,000, 20-year, annuity instalments, and the other $6,500, 15-year annuity instalments. The bids:—

G. A. Stimson & Co.	105.20
Burgess & Co.	104.67
McNeill, Graham & Co.	104.43
Gairdner, Clarke & Co.	104.074
Mackay and Mackay	103.66

YORK COUNTY ISSUE

An issue of $366,000, 5 per cent., 19-year, serial bonds of York County, were awarded to Imperial Bank of Canada at 99.788. Bidding was keen, as the following list of tenders shows:—

Imperial Bank	99.788
Macneill, Graham & Co.	99.31
National City Co.	99.295
C. H. Burgess & Co.	99.261
Dominion Securities Corp.	99.171
McDonagh, Somers & Co.	99.12
Bird, Harris & Co.	99.113
Bell, Gouinlock & Co.	99.07
Dyment, Anderson & Co.	99.07
Wood, Gundy & Co.	99.076
W. A. Mackenzie & Co.	99.06
Matthews & Co.	98.91
Cochrane, Hay & Co.	98.75
Gairdner, Clarke & Co.	98.74
McLeod, Young, Weir & Co.	98.73
Bain, Snowball & Co.	98.549
Municipal Bankers Corp.	98.519
Murray & Co.	98.35

GREAT LAKES POWER ISSUE

An offering of 7 per cent. preferred shares of the Great Lakes Power Co., Ltd., is being made by A. E. Ames and Co., at 98¼, to yield 7.12 per cent. The company's plant at Sault Ste. Marie has been expanded from time to time until now the capacity is 39,200 h.p. The company also owns all the outstanding stock of the International Transit Company, operating a street railway system at the Soo and the ferry system between the Canadian and American Soo's.

Drawings of French Bonds

Only those issues that have been sold Canada are included.

CREDIT NATIONALE
500 francs bonds 5% issue of 1920
Drawing of July 1, 1924

No. 6,034,915 repayable at 1,000,000 francs.

No. 2,236,102 repayable at 500,000 francs.

Nos. 823,773, 4,763,237 repayable at 200,000 francs; 1,648,305, 3,151,889, 4,151,889, 4,171,465 are each repayable at 471,465 are each repayable at 100,000

Nos. 644,664, 1,644,664, 2,644,664, 3,644,664 are each repayable at 50,000 francs.

With the exception of the foregoing bonds each of the following bonds is drawn for redemption at 500 francs:

1,648,301—400	6,034,901—200
2,759,401—500	6,035,000—200
4,171,401—500	6,255,101—200
4,291,601—700	6,815,101—200
4,489,601—700	7,341,001—100
4,763,201—300	
82,379—800	
5,539,701—800	2,236,101—200
5,979,201—300	3,151,801—900

The following bonds are drawn for redemption at 5,000 francs:

64,664	124,664	274,664	684,664
774,664	1,064,664	1,354,664	1,504,664
1,684,664	2,274,664	2,304,664	2,354,664
3,064,664	3,124,664	3,274,664	3,684,664
3,774,664	304,664	354,664	504,664
1,124,664	1,274,664	1,304,664	1,774,664
2,064,664	2,124,664	2,504,664	2,684,664
2,774,664	3,304,664	3,354,664	3,504,664

Unlisted Bonds

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95⅛	..
Alabama 5% 1962	77½	78
Ames Holden 6% 1947	..	42
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	94¾	95¼
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	99⅞	100⅜
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95	95¾
Can. Light & Power 5% 1949	79	80
Consumers Glass 6% 1935	85½	88
Can. Steel Foundries 6% 1936	98¼	..
Dom. Iron 5% 1939	66	67
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	..	102
East Koot. Power 7% 1942	101½	..
Fraser Co. 8% 1941	..	105¾
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	..	96
Lake Sup. Paper 6% 1941	105¼	106
Laurentide Pow.	97¾	99
Laurentian Pow. 6% 1936	95	96
Maple Leaf Milling 6½% 1943	100¾	..
Maisonneuve 5% 1954	98¼	..
Man. Power 7% 1941	100	100½
Mattagami 7% 1949	25	..
Montreal Pub. Ser. 5% 1942	87½	88¼
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	100⅛	100¾
Nor. Ont. Power 6% 1931	93½	94¾
Ontario Pulp 6% 1931	105	..
Price Bros.	98¾	99¼
Paton Mfg. Co. 6% 1953	92	..
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1949	101	101½
Spanish River 8% 1941	106	..
St. Maurice Power 6½% 1953	105½	106½
Wabasso Cotton 7% 1942	..	93½
Windsor Hotel 6½% 1943	100	..
West. Koot. Power 6% 1943	99⅜	..
West. Power 5% 1949	90	..
West. Power 7% 1926 debs.	98	..
Quebec Power 6% 1953	97½	98⅜
N.S. Steel 6% debs.	67	..

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Debentures for Sale

TENDERS will be received by the undersigned up till noon, 14th August, 1924, for the sale by the Corporation of the County of Renfrew—the following are the particulars: $75,000.00, 6%, 20 years, Debentures dated 14th August, 1924. In twenty annual payments, on 13th August, 1925, and succeeding years at the Pembroke Branch of the Bank of Nova Scotia.

Debentures issued in one thousand dollar lots and odd amounts. Money required to pay the County's share of the cost of construction by the Department of Highways for Ontario for the years 1921 and 1922 by virtue of 7 Geo. V, Cap. 16, sec. 14, as amended by 11 Geo. V, Cap. 27, sec. 5.

No tender necessarily accepted.

Mark envelope "Tender."

DATED this twenty-fifth day of July, A.D. 1924.

R. J. RONEY,
County Clerk,
Pembroke, Ontario.

Municipal and Provincial Finance

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REPORT OF RUST QUITE PREMATURE; MORE RAIN NEEDED

(Continued from page 1)

rains which have been fairly general. Conditions south to Calgary and northeast from Lacombe to boundary have improved. Stettler line reports indicate only small return on summer-fallow. Calgary to MacLeod and west good, but yield will likely be cut, owing to recent drought. Lethbridge east to boundary and north, including Saskatoon-Calgary line, reported practically gone. North country now more hopeful, having had considerable rain.

"Regina had a few scattered showers over the week-end, but a drenching rain commenced falling last evening. Still raining in Regina district and it appears to be general. Raining to-day along Outlook Branch. Inspector wires from Yorkton district: 'Splendid rainfall last night over wide area.' Reports from Edam district indicate crop average quite up to last year. Reports on all crops in Southern Saskatchewan are very satisfactory, with the exception of a few scattered areas. Many districts in dry area will now return more than seed. Prospects somewhat brighter, and the heavy rainfall has relieved the tense situation."

In Other Districts

Throughout Saskatchewan and Alberta the situation is less favorable than that in Manitoba. Conditions in the southern part of Saskatchewan have been greatly improved during the last two weeks by scattered showers. In the central sections less moisture has been received, and the grain has made little progress. Stubble crops, in fact, have been plowed under. Summerfallow crops are standing the drought remarkably well, but at best will be very short. In the north a somewhat better outlook exists, but at no point has sufficient moisture been received. Seventy-five per cent. of the wheat is in head, and cutting will begin in the majority of districts during the last two weeks of August. Only slight damage by hail and cutworms is reported. In Southern Alberta some districts are completely dried out, while others are in very satisfactory shape. In the northern parts, recent showers have improved the situation very materially, except in the northeast where more moisture is badly needed. This applies, for the most part, to the entire section of the province adjoining Saskatchewan. Taking the two provinces together, conditions are so spotty, and such a wide variation of conditions exist, that it is impossible as yet to give any accurate account of the crop as a whole.

Situation in the East

Most sections of Ontario and Quebec are enjoying very satisfactory growing weather, and good average yields are expected. Wheat cutting began last week, and the sample is very encouraging. Hay is at least an average crop in most parts of both provinces, and considerably better than average in some sections of Ontario. The value of last year's yield from the two provinces was $134,302,000 out of a total for the Dominion of $174,796,000, and with somewhat better prices a larger gross return should be realized this year. The fruit crops in both provinces are doing well, and a large yield of the hard fruits is expected.

In the Maritime provinces the hay crop is slightly below the average, and the grain crops are somewhat in need of rain in most sections. Potatoes are very promising, and are making satisfactory progress, but the root crops are not as good as last year. The fruit crops are doing well, but the yield will be below normal. The apple crop in the Annapolis Valley is expected to be 75 per cent. below that of last year.

The crops in British Columbia are making satisfactory progress, but an average yield is scarcely looked for. Apple picking has commenced, and a fair return is expected.

Construction for Six Months is Below 1923

Canadian construction awards for July, as compiled by MacLean Building Reports, were $23,818,400, compared with $26,185,300 in June. Residential building accounted for 30.4 per cent. of the July total, amounting to $7,222,600. Business building amounted to $5,469,000, or 23.0 per cent.; industrial building, $2,584,700, or 11.0 per cent., and public works and utilities, $8,542,100, or 35.6 per cent. The activity was distributed among the provinces as follows: Ontario, 42.3 per cent.; Quebec, 36.4 per cent.; British Columbia, 7.6 per cent.; Prairie Provinces, 10.4 per cent., and the Maritime Provinces, 3.3 per cent. Contemplated new work in July aggregated $20,547,700.

Construction started during the six months amounted to $152,541,500, compared with $196,165,700 during the corresponding period of last year, and $159,146,200 in 1922. Residential building shows a falling off of 20 per cent.; business building, 20 per cent.; industrial building, 52.5 per cent.; public works and utilities, 15.5 per cent.

MUNICIPAL ROAD THRO' RICH AREA MAY BE CLOSED

Winnipeg Water District Railway in Need of Funds

In view of the prospects of recurring deficits in the operation of the Greater Winnipeg Water District Railway, there appears to be grave danger that the line will have to be "scrapped." Apart from the loss in operation, the point has been reached where money will have to be spent on the rehabilitation of the line as well as on a new terminal site. The provincial government have declined to assist the enterprise on the ground that the province does not control its natural resources.

The railway was part of an aqueduct project by which the Winnipeg area was enabled to obtain a supply of soft water. Once the aqueduct was completed, the railway had fulfilled its function, although valuable for repair work. Along its 92 miles of roadbed there are some excellent farming lands, as well as a supply of building stone and gravel, and an abundance of marketable cordwoods. The area between Winnipeg and the Brokenhead River has already been settled. Farming is becoming profitable, and to discontinue the service would necessitate the depopulation of the entire area.

The main source of the difficulty is the fact that the railway does not own any of the land through which it runs, except its right of way and a small piece of property at the intake. It has been suggested that if a substantial land grant along the line could be obtained, the problem might be simplified. While no assistance has been forthcoming from the federal government as yet, it is understood that an effort will shortly be made to interest the Ottawa authorities in the matter. There has also been the suggestion that the Winnipeg unemployed should be sent to the districts along the line to do colonization work. The line might conceivably be put on a paying basis in this way, it is contended.

The city of Winnipeg is obligated to the extent of 85 per cent. of the Greater Winnipeg Water District project, and the question of eliminating the deficit on this line is consequently a vital problem.

CUTS OBLIGATION TO CIVIC PENSION FUND

Winnipeg Contribution Greatly Reduced by Reversion to City of Surplus of $300,000

Enquiries with regard to a statement made recently by the city of Winnipeg relative to the city's reduced liability to the pension fund, and reported in these columns, seem to warrant some further explanation.

The pension fund was established in February, 1921, and the city's contribution towards the accrued liability was fixed at $800,000. As is customary, the civic employees paid a percentage of their salary to the fund, and the city paid dollar for dollar with the amount thus paid. During the period subsequent to the formation of the fund, a large number of city employees left the service for private enterprise, and in such cases were allowed only the money they had paid into the pension fund, but not the percentage paid by the city. This left a substantial surplus in the fund, in addition to profits on the money invested. When an evaluation was made, as of December 31, 1923, total investments of the pension fund amounted to $1,500,000 and the surplus on hand was more than $300,000. According to the by-law creating the fund, this surplus reverted to the city, thus reducing the city's liability by that amount.

Substantial Reduction in Ontario Fire Losses

The past six months has witnessed a gratifying decrease in the fire losses in Ontario, according to the report of the provincial fire marshal for the six months ending June 30. For the first six months of the year there were 5,014 fires, compared with 6,421 for the same period of 1923, a decrease of 1,407. The loss sustained was $7,798,561, compared with a loss of $9,970,993 for the fires during the corresponding period of last year. The insurance loss showed a like decrease, the comparative figures being $6,683,064 for this year, and $8,239,104 for last year.

A big factor in the decrease was the June record of 803 fires, as compared with 1,219 last year, the losses being $1,320.999 and $1,654,991 respectively. The location of the fires was as follows: In 285 barns, with loss of $481,096; 3,390 dwellings, with loss of $1,660.411; 584 stores, with loss of $2,006,173; and 202 factories, with loss of $2,315,384, a decrease in each case. The largest loss was the Glassco Company at Hamilton, amounting to $450,000.

To Increase Toronto Harbor Debenture Debt

Permission to increase the debenture debt of the Toronto Harbor Commission from $25,000,000 to $30,000,000 will be sought of the government by the city council. Up to the present the annual revenues of the commission have been just about sufficient to meet overhead or operating expenses, leaving nothing to meet interest and capital charges amounting to aproximately $1,000,000 per annum. The result is an accumulated deficit of some $5,000,000 representing discount on the sale of debentures and interest payments made out of capital. It is estimated that another four or five years must elapse before the revenue from all sources will suffice to meet charges, and, further, that expenditures approximating $6,000,000 will be necessary to complete development.

SMALL INCREASE IN JUNE IMMIGRATION

Total Arrivals Were Less Than During May—United States Comings and Goings

From Our Own Correspondent.

OTTAWA.—Immigration during June was 14,421, as compared with 13,685 for the same month last year, there having been an increase of 5 per cent. The number of arrivals from Great Britain was 8,188, an increase of 1,277. From countries other than Great Britain and the United States the arrivals were 4,438 a decrease of 252, as compared with the number during June, 1923. From the United States the arrivals were 1,795 a decrease of 289.

The total arrivals during June were 14,421 or 5.072 fewer than during May. For the three months from April 1 to June 30 the arrivals were 53,245, as compared with 40,952 for the same period last year, the rate of increase having been 30 per cent.

While this increase during the first quarter of the year is gratifying, and might lead one to think that there would be a very large increase in immigration during the year, still it is now quite evident that the increase will not be nearly as large as at one time seemed probable. In April the increase in arrivals was 103 per cent. over that for the same month last year; in May the increase had dropped to 10 per cent., and in June it had dropped still further to 5 per cent.

There is considerable controversy over whether the exodus to the United States has stopped or not. The Department of Immigration returns show that during the three months ending June, 13,743 persons had returned. In June the number was 4,720 or 216 fewer than in May. According to American figures the number of Canadians who went to the United States in that month was 13,500.

To Consider West's Economic Problems

REGINA. — The representatives have been appointed to the permanent Saskatchewan Economic Board, which is expected to hold its first meeting around August 10. Among the matters awaiting the attention of the board are the question of Western financial conditions and Western financing, and a thorough investigation of the ways and means by which mixed farming can be placed on a sound financial basis.

The representatives appointed to date are as follows:

Hon. C. M. Hamilton, representing the Saskatchewan Government; W. L. McQuarrie, Saskatoon, Saskatchewan Retail Merchants' Association; G. R. Williams, Semans, Farmers' Union of Canada; Mrs. T. V. Hanway, Regina, Women's Labor League; Dr. W. W. Swanson, Saskatoon; University of Saskatchewan; Mrs. Ida McNeal, Expanse, Women's S.G.G.A.; W. E. H. Stokes, North Regina, Trades and Labor Council; G. F. Edwards, Markinch, S.G.G.A.; H. W. Givins, Regina, loan companies; Thomas Acheson, Winnipeg, transportation companies. Representatives of the banking and manufacturing interests have yet to be appointed.

Tenders and By-laws

TENDERS WANTED

Aug. 11, St. Anne de Bellevue.—$35,000, 5½% serial bonds, due 1925-49.

Aug. 5, Windsor.—$943,794, 5 and 5½%, 10, 20 and 30-yr. bonds, for local improvement, hydro, water and public schools.

Aug. 14, County of Renfrew.—$75,000, 6%, 20-yr. debentures, R. J. Roney, County Clerk, Pembroke. (See announcement on page 16).

Aug. 1, Welland.—$75,000, 5¾%, 20-yr. debentures. A. W. Jackson, city treasurer.

Aug. 12, Shawinigan Falls, Que. — $78,000, 5½% debentures. J. O. S. Brunet, secretary-treasurer.

Aug. 5, Beauport, Que.—$150,000, 5½%, bonds redeemable 1938.

Aug. 4, Sillery, Que.—$85,000, 5½%, bonds redeemable by series until 1934.

Aug. 4, Village of Beaverton.—$40,000, 5½%, 30-instal. school debentures. Geo. R. Yule, village clerk.

Aug. 13, Campbellton. — $50,000, 5%, 25-yr. bonds. John T. Reid, town clerk. (See announcement on page 16.)

INCLUDE DEFICITS ON PUBLIC OWNERSHIP

Research Bureau Contends Deficit of National Railways and Marine Should be in Statement

That municipal, provincial, and national governments should include in their financial statements the net deficits on publicly-owned or controlled trading operations, is the contention of the Citizens' Research Institute of Canada, in the third of their series of pamphlets on problems of government and taxation. They have accordingly prepared a statement of the revenue and expenditure of the Dominion government for the year ended March 31, 1923, on an aggregate and per capita basis, including the net deficits of the Canadian National Railways and the Canadian Government Merchant Marine, Limited. After stating the contention, the institute proceeds as follows:

There are only two ways of meeting such deficits, either borrowing money or increasing taxation. Unless it is practically certain that deficits will be wiped out in the very near future by increased revenues, the first method of financing would be extremely dangerous. The only safe way of meeting necessary current deficits on trading operations is to consider them a charge against current ordinary revenue and it is to be noted with satisfaction that some governments are definitely pursuing this policy. Even in cases when deficits on trading operations are believed to be purely temporary, it is desirable that the deficits should be given, at least for informative purposes, in connection with the ordinary revenue-expenditure statements of governing bodies.

Maritime Notes

TAXES PAID PROMPTLY

Taxes in the city of St. John, N.B., came in more promptly than last year. A short time before the date of final payment, July 24, the amount exceeded that paid at the same time last year by more than $500,000. The rush of tax payers at the last was, therefore, less marked than previously.

WELLAND RIVER LEVEL

Various plans are being considered by the city of Welland to obviate the necessity of spending close to a million dollars on the changes in the water works and sewerage systems as a consequence of alterations involved in the new canal project. The plan would carry the river under the new canal bed by means of an inverted syphon, making no change in the present level.

PROTEST ONE-MAN CARS

The city of Quebec decided some time ago to protest against the one-man street cars that are in operation in some sections of the city, and to ask the city's legal advisers whether or not the Quebec Power Company had a right to put the cars in operation without the permission of the city engineer.

EXEMPTING CHURCH PROPERTY

In view of the increasing difficulty with which municipalities are being faced in securing sufficient funds to finance their work, the question of exempt property has come in for considerable discussion in many places. A suggestion has been made by Alderman C. H. MacKay, of Hamilton, that churches or other non-assessable properties should not be located on business streets. Mr. MacKay stated that close to $20,000,000 worth of property in the city was exempt, and that if this property were taxed it would yield $600,000, or decrease the city tax rate by four or five mills. It was pointed out that the loss arose not only from the exemptions but also from the fact that such buildings caused surrounding property to depreciate as a business section.

CAN SELL SITES NOW

When R. Home Smith resigned from the chairmanship of the Toronto Harbor Commission, he urged that one of the handicaps under which the commission had been laboring was the regulation that prevented the sale of harbor lands for industrial purposes. He made the point that it had been found impossible to interest manufacturers in sites which could only be leased. The Board of Control has now approved a recommendation of the commission that it be permitted to dispose of industrial sites outright, but not more than 85 per cent. of the available sites are to be sold.

SASKATOON SELLS VICTORY'S

A sinking fund investment of $125,000 of Saskatoon city in 1934 Victory bonds is being disposed of at $103.61 and interest, $5,000 to Hettle-Drennan Co., Saskatoon, and the balance to Regina Brokerage and Investment Co. The funds will be invested in Saskatchewan Farm loan bonds, 1854. The change means an additional return of one-fifth of one per cent. and extends the security for 20 years.

GYPSUM QUARRY ACTIVE

SYDNEY, N.S.—The busiest season in many years is expected by Cape Breton gypsum quarry companies, which are already booked to capacity with orders from Newfoundland, Canada and the United States. Plaster for domestic building purposes takes the greater part of the output.

The most extensive, interesting, and readily accessible field for alpine climbers in the world to-day is found in the Canadian Rockies.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
July 30	County of York	Imperial Bank	5%	20-ins.	$366,000	99,788	....
July 30	Twp. of Tisdale	G. A. Stinson & Co.	6%	15 & 20-yr.	95,500	....	....
		CORPORATION					
July	King Edward Hotel Co.	Credit Canada, Montreal, and Pond & Co., Boston	7%	....	$500,000	.....	....
July	St. John Drydock & Ship.	Murray & Co., Toronto	5½%	....	754,480	.....	5.30
July	Admiral Beatty Hotel Co.	....		....	120,000	.....	....
		RAILWAY					
July 27	Canadian National Rlys.	Dillon, Read & Co., and Sydicate	4%	8-yr.	20,000,000	98⅞	....
July 27	Canadian National Rlys.	Dillon, Read & Co., and Sydicate	4½%	15-yr.	9,375,000	.....	....

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Belgo Paper 7's Preferred Shares.
Quebec Power 6's —— 1953
Quebec Railway 5's —— 1939
St. Maurice Power 6½'s —— 1953
Wayagamack 6's —— 1951
Montreal Tram-Power 6's —— 1929
Montreal Public Service 5's —— 1942
Windsor Hotel 6½'s —— 1943
Laurentide Power 5's —— 1946
Cedar Rapids 5's —— 1953
Montreal Tramways 5's —— 1941
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Benson & Hedges (Canada) reports sales for the month of May at $75,611 as compared with $79,443 for the corresponding month of last year. The aggregate sales for April and May at $131,918 compared with $142,177 last year.

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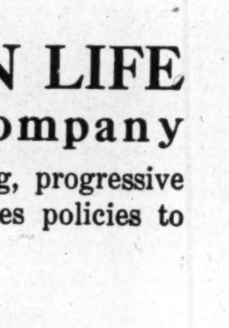
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Insurance for Buyer and Seller

DEDUCT INSURANCE PREMIUM FROM PAY OF POLICYHOLDER

New Plan of Monthly Payment Has Many Advantages

A new type of life insurance contract known as wholesale or payroll deduction insurance has recently been adopted by two large companies operating in Canada and the results achieved to date have been specially gratifying. The idea originated in the action of a large insurance company in the United States in offering to its own employees the right to secure insurance with the company and pay the premiums monthly. This was to be done by deducting the monthly premium from the salaries. So enthusiastically was the plan taken up by the employees that the officials of the company, the Travelers of Hartford, began to consider whether the benefits so evident could be extended outside its own organization to those engaged in other businesses. The final result was the adopting of the "Payroll deduction plan."

Basis of Plan

The general basis of the plan is to approach the officials in charge of a business and suggest that the insurance company solicit insurance among the employees with the stipulation that the premiums be deducted monthly by the employer from the pay and turned over in a lump sum to the insurance company. When the consent of the employer is secured the representatives solicit the insurance directly from the employees. While many instances have already been met where employers who saw the advantages of the plan, gave it their recommendation, the plan itself does not call for the guarantee or endorsation of the employer in any way. His function is primarily to arrange the deduction from the pay and transfer it to the insurance company.

The actual policies secured under the plan may be any one of the regular policies issued by the company with the provisions as to surrender, cash and loan values, maturity options, etc. If the insured leaves the employ of the firm through which the insurance is originally placed, he may continue the policy in the ordinary way by paying the premiums as if he had applied for it independent of his employer. The usual medical examination is supplanted by a brief heart and lung test in the case of policies up to $3,000. A similar plan is now being introduced in Canada by the Sun Life Assurance Co., and it is understood it has met with success to date.

Fifty-one Applications

The placing of the plan successfully demands careful salesmanship, as pains must be taken to ensure that the employer and employee fully understand the contract. It is natural that some employers hesitate to enter on it lest the employees feel that his endorsation involves a measure of responsibility for its success. However, employers with the hope of enabling their employees to secure protection with the least possible inconvenience have supported the plan. That their support has been justified is evidenced by large numbers of employees which have responded to the solicitation in several cases. In one instance an underwriter worked from Tuesday at 11.30 a. m. until Saturday night among a group of employees in a Maritime city. During this time he solicited applications under the plan for forty-three employees of a public utility company. Of this number no less than forty made application for policies, one for $3,000, one for $2,500, ten for $2,000, seven for $1,500 and twenty-one for $1,000 policies. On Tuesday of the following week the same representative sold eleven contracts for a total of $17,000.

Avoid Difficulties

The plan overcomes some disadvantages which have previously stood in the way of attempts to make it possible to purchase life insurance and pay for it monthly. Foremost among these is the cost of collection. It has been found that the expenses involved in following up delays in payments, giving extensions of time, etc., have been so great that much higher rates have been necessary. The result is seen in what is known as industrial insurance, on which payments are made weekly. This requires an extensive collection system for which the insured must pay in the form of higher premiums. By securing the premiums in a lump sum from the employer not only is much routine work avoided, but the difficulty of securing payments on time is overcome.

At the same time the plan has advantages for the insured. In spite of the saving element in present-day life insurance policies, those insured, on the whole, regard the payment of premiums more in the light of a necessary expense. When they must be met once or twice a year the amount is considerable and the temptation to delay payment or allow the policy to lapse is frequently strong. On the other hand, if small payments must be made more frequently, the attention they demand becomes an added detail to an already heavy load of monthly bills to attend to. Both these difficulties are overcome by the new plan.

The plan must not, however, be confused with the savings-insurance plans, which have sprung into use in recent years. No bank is in any way connected with the scheme, the whole thing being backed by the insurance company independent of other security. At the same time the company must provide the regular reserves against the policies, as specified by law, which ensures to them the same safety so noticeable in regular life insurance policies in Canada. Of course, the best field for the development of the plan is limited. Only the employees of companies which exhibit a smaller labor turnover should be encouraged to enter the plan. While the insurance may be continued after an employee leaves, without loss to him, the value of the plan lies in those insured remaining with the same employer. Hence laborers would not appear good prospects, but store clerks, office and bank employees, etc., are more desirable prospects because of their lesser tendency to change employment.

CONCESSION MADE BY MARINE INSURERS

Acceptance of Board's Report Involves Extension of Summer Rates to Oct. 31

The extension of the summer season in connection with the placing of marine insurance on hulls and machinery until October 31, is the result of the charges that British marine underwriters were discriminating against Canadian shipping and the subsequent investigation made by the Imperial Shipping Board. Canadian business interests have felt that the rates and restrictions applied to shipments to north Atlantic ports have been unfair and a demand arose for sweeping changes, with the suggestion that the government go into the insurance business and cover these risks. This agitation met with strong claims from the underwriters that the rates and conditions were reasonable and entirely as conditions warranted. The Imperial Shipping Board made the investigation under the chairmanship of Sir Halford McKinder.

The effect of the report is to extend the summer season for insurance purposes from May 15 to Oct. 31, instead of from May 1 to Oct. 1. This means that the additional premium charged heretofore after Oct. 1 would now not be charged until after Oct. 31. This concession, for the time being, applies only to hulls and machinery, but it is stated that it may be extended to cargoes as well. The report was accepted by Lloyd's Underwriters and the London Institutes of Underwriters, on the assumption that all aids to navigation should not be removed on the British North Atlantic ports before Oct. 31, and they desired the assurance of the Canadian government on this point.

CO-INSURANCE CLAUSE REQUIRES ATTENTION

Frequent Valuation of Plant and Stock Necessary; Doesn't Apply to Total Loss

In cautioning against the dangers of fire insurance policies containing co-insurance clauses, the Caduceus, the staff publication of the Canadian Bank of Commerce, says:

"It is largely used because the rate is lower, but this is simply because the assured is taking a certain amount of the hazard himself. Policies of this description must be very closely scrutinized, and it is absolutely necessary that the percentage of co-insurance be lived up to. The percentage of co-insurance usually used in fire insurance is 80 per cent. The premium having been reduced in consideration of this condition it becomes an obligation on the part of the insured to secure and maintain during the currency of the policy insurance amounting in all to not less than 80 per cent. of the actual value of the property insured. The fixing of values in advance, i.e., at the time of the effecting of the insurance as a basis for the settlement of a loss in connection with this clause, is not sufficient. In the settlement of losses, account is taken of changes in values by reason of increased or decreased cost of material or labor, or depreciation through age, or use, or fluctuation in the market price of commodities. A re-valuation of buildings or plants after a term of years, and stock-taking at least once a year is, therefore, to be recommended. The words 'at least' or 'not less' appearing in the clause mean no more than they express. Nothing prevents the assured from insuring more than 80 per cent. of the value of his property. This clause, whether complied with or not, has no effect whatever on the adjustment of a loss if the property is damaged or destroyed to the extent of 80 per cent, or more of its sound value, but this clause does affect the adjustment of a loss if the damage to the property be less than 80 per cent. of the actual value."

Dies Suddenly Before Completing Application

The danger of delay in making arrangements in connection with life insurance is again demonstrated by an experience reported by the London Life Insurance Co. The Rev. J. E. Hunter, of Granton, Ontario, called at the home office the end of May, at which time he had a London Life twenty-year endowment maturing. He was the picture of good health and, being very much pleased with the settlement he was about to receive on his endowment, gave favorable consideration to keeping life insurance protection on himself. Applications were made out, one for $2,500 and another for $5,000, and mailed to him on May 31, so that he might complete the one best fitting the circumstances. Being often in London, the medical examination was to be made on an early trip at the company's office. In the meantime, however, Mr. Hunter was stricken suddenly and died before aid could be summoned.

SAY COMPETITION IN FIRE BUSINESS IS ILLEGITIMATE

United States Officials Lament Big Commission Increases

From Our Own Correspondent.

Complaints have been made recently by officials of United States fire insurance companies concerning conditions in Canada so far as their business is concerned. Their chief cause for complaint lies in the fact that a great many new companies entered the Canadian field in 1923. Competition has as a result increased materially. This would not be so bad were it not for the fact that most of the newcomers refuse, according to the Americans, to join the Canadian Fire-Underwriters' Association, and abide by their rules; commissions are being cut recklessly, and the rules of the association violated generally to an extent that makes business very difficult for everyone.

While it is not intimated that the fire insurance business, as a whole, is unsound, it is common knowledge that there are some regrettable difficulties. As the business is organized at present the agents turn their business to a number of companies represented by them. Thus, new companies must offer special inducements to secure a share of this, with the tendency to increase the acquisition cost. The ratio of general expenses and taxes to the premiums written in 1923 was: Canadian companies, 44.24 per cent.; British companies, 39.13 per cent.; foreign companies, 35.75 per cent. While each of these represent small decreases from the previous year, taken in conjunction with the loss ratio, they leave little for the companies as a profit or return on the capital invested. In fact, many companies disbursed more money during the year than they received, without allowing any return to the shareholders.

Use of Free Medical Examination Growing

The adoption of the plan of giving policyholders the opportunity of free medical examinations at certain periods by United States companies and some Canadian companies has been followed by its extension to Great Britain. In reviewing the activities of the past year the Statist says:

"In connection with life business, the year 1923 witnessed the introduction on the part of two companies of schemes whereby policyholders are offered some opportunity of undergoing free medical examination at intervals. This new departure, which doubtless was inspired by the example of various American companies, is designed to secure two ends. So far as the lives assured are concerned it opens up the possibility of receiving timely warning of a threatened breakdown in health, while in the case of the offices it is expected to have an effect in prolonging life and so postponing in many cases the necessity of paying claims."

Should Reveal All Facts in Applying for Policy

An outline of the legal aspects of life insurance in the province of Quebec was given to the Montreal Rotary Club at a luncheon last week by J. Armitage Ewing, who is a member of the club.

Tracing the laws regarding insurance, he said there had been much dispute as to whether this came within provincial or Dominion jurisdiction. The courts had decided that for the most part the laws regarding life insurance came within the powers of the provincial legislatures, with the result that these laws differed considerably in the various provinces.

In Quebec province the insurance law, as part of the civil code, dated back to the old Roman law, the Code of Justinian, brought to Quebec by the French founders, and later promulgated under British rule.

As to details of the legal protection in insurance matters he said that back of everything was the principle of good faith by the insurer, so that it was well for any person obtaining insurance to see to it that there was no holding back of facts which might show bad faith and invalidate his insurance.

In considering whether life insurance should be made payable to specific beneficiaries or to the estate of the insured, Mr. Ewing did not lay down any definite rule. He pointed out that in the latter case the insurance was liable for the debts of the insured.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa:

The Scottish Metropolitan Assurance Company, to issue inland transportation insurance; the North British and Mercantile Insurance Company to issue tornado insurance, in addition to the classes for which it is already licensed.

INSURANCE SALES UP

According to the Life Insurance Sales Research Bureau sales of life insurance for the first half of this year amounted to $196,031,000, as compared to $172,252,000 for the similar period of 1923, an increase of 14 per cent. Sales for the twelve months ending June, 1924, were $389,626,000, as compared to $341,933,000 for the twelve months ending June, 1923, an increase of 14 per cent.

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DAVID PLANS NOT TAKEN SERIOUSLY BY QUEBECKITES

Perhaps He Just Wanted to Start People Talking

POWER AND FORESTS

Quebec Provincial Secretary Has Novel Ideas to Promote Prosperity of His Province

From Our Own Correspondent.

MONTREAL.—The two striking suggestions of Hon. Athanase David, provincial secretary of Quebec, for the development of the province, have not received many expressions of approval.

Mr. David's first suggestion has been taken to mean that Quebec should cut down its timber as fast as possible to save it from insects and fire. On this point he was far from the idea that there should be inaugurated an unreasonable and unthinking cutting down of the forests, but those who had to do with the care of the forests affirmed that nothing was more difficult than their defence against fire.

"I admit in all frankness and at all risk, that a rapid exploitation of the forest (guaranteed by severe and obeyed conditions by means of contracts providing that the cutting be done according to scientific methods) does not frighten me, and I prefer it to the risk that we run of having our forests destroyed by fire—without profit for our people, needless to say—when we can reap this national fortune, the need of which is great, to enable us to accomplish those works which are necessary to our pogress and our strength.

Protests are Made

A storm of protest has followed this suggestion, but more thoughtful attention has been given to a second suggestion that Quebec should establish neutral zones around its power development centres. According to Mr. David, there is nothing so greatly to the forefront as this matter of water power, meaning as it does industrial control and high wages. It was the reason for migration into the industrial centres of Quebec of a great number of farmers' sons, and was also the reason for the emigration of Quebec's sons to the smaller American centres. Proper development of our water powers also meant attracting capital.

Without wishing to discuss the matter of export of power, Hon, Mr. David commented that it would be many years before Quebec industry would require the total use of our water powers, and since there was some controversy over this question. was it not well to seek for a solution which would bring agreement between adversaries?

Labor Follows Power

"If it is true that the exportation of electric power, by permitting a neighboring country to increase the capacity of its factories, increases production, such increase necessitates a greater supply of labor. Knowing of this need for labor, a great number of our people go to where the demand exists. Why not seek, therefore, in developing and using in Quebec our electric power, to increase our production so as to keep at home our own workmen? I think it is exact to say to-day that labor follows the horsepower."

Since, argued Mr. David, capital is a first necessity in the development of hydraulic power, and such capital in large measure comes from the United States, would it not be possible to facilitate the entry of American capital by means of acceptable concessions, as, for example, certain conditions found acceptable by the automobile manufacturers in Canada?

"Can we not create 'neutral' zones in the immediate neighbourhood of great hydro-electric developments, zones where American capital, after developing the water powers, could develop industries where the raw material, if it came from the United States, would be permitted to enter free of duty, and leave the country in manufactured state also without paying duty? To create such zones would, of course, require the co-operation of the federal authorities. Needless to say, if the manufactured goods were to return to Canada they would be subjected to customs duties.

"By the creation of such neutral zones Quebec would secure first, capital; second, the development of water powers; third, the establishment of productive centres which would increase our economic capital; fourth, the employment of workmen here so that they would not have to seek work elsewhere; and fifth, it could be hoped that a great number of the sons of Quebec who had left would return home, as they would be able to find here the same conditions which they had emigrated to find."

He Has Attracted Attention

This second suggestion has aroused some protest on the ground that it would be but a first step towards complete annexation of Canada to the United States. But Mr. David has achieved what was probably his chief aim—to attract public attention to the diminishing forest reserves of the province, and to the need for utilizing the water power that cannot effectively be exported. Whether he was serious in his suggestions or not is a doubtful point. But he got the province talking.

MONTANA FARMERS IN LETHBRIDGE

LETHBRIDGE.—One hundred Montana farmers will be entertained in this province last week of July, by irrigation leaders on this side of the border. They are coming for the irrigation convention in Calgary and while here will be shown over the various projects, beginning at the United project near Waterton Lakes park. They will enter Alberta from Glacier Park and will visit Waterton National Park after crossing the border.

Francis Estate Composed of Stocks and Bonds

Wellington Francis, K.C., late president of Standard Bank of Canada, and director of several financial institutions, left an estate valued at $228,033, composed mostly of stocks and bonds. The list of assets follows:

Real estate	$17,000.00
500 shares Standard Bank.	79,000.00
520 shares Toronto Mortgage Co.	42,640.00
150 shares Consumers' Gas Co.	24,150.00
50 shares Imperial Bank..	8,500.00
44 shares The Toronto General Trusts Corp....	8,976.00
25 shares The Dominion Telegraph	1,081.25
Dominion of Canada Victory Bonds and interest	21,119.88
Cash in bank	11,608.83
Miscellaneous assets	13,956.93
	$228,032.89

The Grain Movement

OTTAWA.—Preliminary figures showing receipts at the head of the lakes, also Vancouver, B. C., for the period from September 1, 1923, to July 18, 1924.

	Fort William and Port Arthur	Vancouver
Wheat	291,738,871	51,760,327
Oats	54,980,339	786,928
Barley	15,147,328	69,815
Flax	4,525,763	......
Rye	6,408,317	333,644
Totals	372,800.618	52,950,714
Same per., 1923	296,099,530	17,158,115
Increase over last year ...	76,701,088	35,792,599

BRAZIL GOVT. IS STRONGLY CRITICIZED

Great Western Railway Forced to Operate at Old Tariffs—Company Near Bankrupt

Rather an interesting sidelight on the Brazilian Government is given in the annual report of the Great Western of Brazil Railway Co., in light of the revolution now raging and other criticisms of the finance methods of the government of that country. Shareholders were pointed in their remarks in regard the treatment their company has received at the hands of the government of Brazil. The company is controlled in England. One shareholder pictured the plight of the company as follows:

"It is 10 years since this company paid a dividend; it is three years since it earned its debenture interest, and we confront a situation of virtual, if not actual bankruptcy. Our reserve fund is gone; our carry-forward is gone; there is a debt on profit and loss of £250,000, and an increase in our sundry creditors of £178,000; or, to sum up, there has been in all a retrogression of £500,000, irrespective of any consideration of loss of ten years' dividends on £2,250,000 capital. You will find that in 1922 this railway carried 30 per cent. more passengers and aggregated 25 per cent. more ton-miles than in 1914, and it can only be that the tariffs under which it has been operated have been utterly inadequate for the financial position to be so deplorable."

The business of the railway has greatly increased, but the company is forced to operate on the old tariffs of years ago. The government has made numerous promises to remedy this situation, but not one of these promises has been lived up to. The shares of the company are now selling at 15 and 20 per cent. of their par value.

PLENTY OF ROOM TO IMPROVE THE CIVIL SERVICE

(Continued from page 1)

therefore, that in some sections of the service at least there is a strong tendency upon the part of deputy heads and their chief officials not only to fight for the continuation of existing branches and staffs, but to advance every plausible argument for increasing the same. The reason for this is quite apparent. Throughout the service there is a feeling amongst many of the higher officials that their standing and salaries depend to a very large extent upon their success in spreading out the work of their departments, multiplying branches and increasing the number of employees. It was frankly admitted that the deputy head who attempted to pursue any other course would become very unpopular.

Poor Housing Conditions

"All are unanimous that housing conditions are not satisfactory, an opinion in which your committee fully concurs. Departments are scattered throughout Ottawa; in some cases branches of the same department are widely separated; and hte amount paid annually in rental represents the interest on a capital sum which, if applied to the construction of suitable buildings, would go very far towards providing adequate and suitable accommodation.

"The latest figures available (May, 1924) show that the government is now leasing forty-six buildings, with a total floor-space of 955,750 square feet, (about 711,000 square feet of which are occupied for office purposes) at a rental of $592,596. In 1900 eleven buildings only were leased; by 1921 the number had grown to 73; last year it was 51. Many of these premises having been designed for other uses, are quite unfit for offices, and the large number of small buildings has necessitated the employment of many more clerks than would be required under more efficient conditions.

"From time to time the government has acquired land for building purposes, and now owns all the lands north of Wellington and Rideau Streets, and west of Sussex St., bordering the river from the old Perley Home property at the entrance west of the Royal Mint, at the extreme north, with the exception of the Chateau Laurier.

"The Department of Public Works has already prepared plans for three new buildings, so that any programme of construction sanctioned by the government can be undertaken at any time, but the amount of office space now rented represents the equivalent of five times the size of the Hunter Building, or ten times that of the East Block.

Departments Over-Manned

"With regard to the Civil Service itself, your committee after careful consideration of the evidence submitted, is satisfied that the departments generally are over-manned; that there is considerable duplication and overlapping of functions and activities, both as between departments and branches; and that a very large amount of public money would be saved by proper reorganization, accompanied by the construction of new government-owned buildings, without which such reorganization would be of necessity only partial and inadequate.

"The following statement shows the number of Civil Service employees and pay roll (exclusive of rural postmasters) as compared with 1913-14:

Fiscal Years	Number	Pay Roll
1913-14	29,135	$24,341,188
1919-20	50,307	52,459,614
1920-21	41,641	53,266,627
1923-24	42,238	48,206,527

"In his evidence the chairman of the Civil Service Commission made it plain that in reorganizing a department the best results could be obtained only with the co-operation of the deputy head and senior departmental officers. Your committee feels that those charged with reorganization are entitled, in the public interest, to the fullest measure of co-operation and active assistance from all concerned.

For Consolidations

"In spite of statements to the contrary, which, for reasons already given, cannot be regarded as unbiased, your committee is of the opinion that consolidation, as for example in the engineering, the purchasing and accounting services, can to some extent, at any rate, be effected with advantage. In connection with the last two items, the opinion of one deputy minister is quoted:

"Purchasing.—Certainly the establishment of a joint purchasing organization for the use of all departments would not mean any additional expense, but would accomplish an additional reduction.

"Audit.—I have long been impressed with the necessity of pre-audit of all expenditures. To my mind this auditing should be under the control of the Auditor-General, or outside the various departments. I would look on such a step as not only an additional protection to the government and to those responsible for the administration of the departments, but as one reducing later arguments and adjustments to the minimum. This audit should not only involve the question of detail as to the drawing up of cheques, etc., but validity of authority for payment."

Causes of Over-Manning

"The main causes of the overmanning of the service appear to have been:

"(1) The indiscriminate appointment, prior to the passing of the present Civil Service Act, of persons whose services were not necessary. For this abuse, deputy ministers cannot be held fully responsible.

"(2) The building-up of large war staffs, and the retention of large numbers after their services had ceased to be necessary until otherwise placed in the service.

"(3) The retention on compassionate grounds of employees who through inefficiency would have difficulty in obtaining a livelihood outside the Civil Service.

"(4) The retention of old employees who have exceeded their period of usefulness, but who have been allowed to continue in their positions in the hope that an adequate superannuation act would be passed at some future time.

"The duplication of functions may be attributed in a measure to the establishment of branches in the Civil Service consequent partially on the expansion of the Dominion, but due chiefly to a desire to increase the importance of the department, and to surround it with large staffs. This process of multiplying branches and sub-branches has been in operation for a good many years. The extravagant conditions resulting therefrom, in the opinion of your committee, can only be remedied by calling a halt and by instituting a thorough reorganization of departments without consideration of the susceptibilites of the personnel involved.

Important Suggestions

"Your committee considers that, in addition to reorganization, the following subsidiary measures would be productive of economy:

"The retirement of employees, who, on account of age, have exceeded their period of usefulness, where this can be done without inflicting undue hardship; and the immediate release of inefficient employees.

"(2) Careful scrutiny, by the Civil Service Commission, after consultation with the minister or deputy minister, of all requisitions for new appointments; no new appointment should be made before absolute need for the position can be demonstrated.

"(3) The abolition of vacancies that have remained unfilled for six months. If a position can stand vacant for that length of time, it is not essential to the organization.

"In the opinion of your committee the proper body to undertake the work of reorganization is the Civil Service Commission. Its powers under the Act of 1918 give it the necessary legal authority, and the intent of the Act was, inter alia, that the commission should proceed with the organization of the Civil Service.

Up to C. S. Commission

"The Civil Service Commission should have, and is supposed to have by this time, a staff trained in organization work, and familiar with the requirements of the various departments. It has already undertaken several important tasks of this nature. The re-organization of the printing bureau received very favorable comment from an independent investigatory committee, extracts from the report of which are appended. The bureau staff, in 1919, numbered 1,159; by the end of 1921 it had been reduced to 732, and the annual saving in salaries amounted to nearly $750,000.

"In 1918 the government of the day employed experts to undertake a reorganization of the Post Office Department and the Customs and Excise Department. The work was proceeded with until late in 1921, when it was taken over by the commission and. to a very large extent, is now completed. The evidence adduced by your committee shows that in the case of the two departments there has been an annual saving of over $500,000 as a direct result of the reorganization effected.

"The enlargement of the powers of the Audit Board by the order-in-council of February 23, 1924, will enable the board to be of assistance in problems dealing with accounting and financial matters.

For Merit System

"Your committee is convinced that the method of appointment and promotion and competition (usually known as the merit system) is preferable in every way to the advancement by favor or influence.

"Your committee therefore recommends:

"That when a vacancy occurs in the public service by reason of death. reorganization, or otherwise, such vacancy be not filled by promotion, or otherwise, except on report of the Civil Service Commission after consultation with the minister or deputy minister. In case of disagreement. the facts should be referred to the governor-in-council for decision, and a report should be made to parliament of all such decisions with the reasons therefor.

"That an order-in-council be passed instructing the Civil Service Commission to proceed with the reorganization of those departments of the public service that have not been reorganized within recent years, and enjoining deputy heads to render the commission the fullest co-operation and assistance. This order should further require the commission to report to the govern-in-council, and to parliament all instances where their work is hampered or delayed through lack of co-operation upon the part of deputy ministers or their chief officials.

"That by carefully checking all requests for appointments, by absorbing surplus personnel through transfer, and by any other means in its power, the Civil Service Commission use all its endeavors to obviate the necessity of filling vacancies with new personnel; and, further, that the commission endeavor to reduce the number of existing positions by having those that are not essential abolished.

New Buildings Needed

"That with a view to decreasing staffs and increasing the efficiency of the service the government should consider the advisability of proceeding as soon as practicable with the construction of suitable departmental buildings to be erected on property now owned by the Dominion.

"There now appears to be a strong movement in several countries towards introducing better business methods in the administraton of public affairs, as to which there will be found in the appendix a precis of the activities of the United States Bureau of the Budget from its inception at the end of June, 1923; also references to and extracts from the report of the Royal Commission on the Civil Service of Canada (1908); from the report on the organization of the Public Service of Canada by Sir George Murray (1912); and from the report of the Machinery of Government Committee, and of the Ministry of Reconstruction (Great Britain, 1918).

"Your committee has had under consideration:

"(a) The manner in which the estimates anually submitted to parliament are prepared, checked, and finally revised.

"(b) The existing administrative machinery to adequately control expenditures after appropriations have been made by parliament.

"(c) The custom prevailing in practically all branches of the service to continue to expand departmental appropriations regardless of actual current revenue receipts.

Dangerous Practices

"In the opinion of your committee the practices that have grown up and that have been followed in the past as regards these important matters are inefficient, and large economies in controllable expenditures can be brought about by the adoption of modern business methods.

"Your committee, therefore, recommends that the government should consider the advisability of making provision at the next session of parliament for such method or methods of control as will be sufficient to remedy the practices now prevailing.

"By way merely of suggestion, your committee are inclined to the view that such control might be brought about by the appointment of an officer directly under the minister of finance and clothed with sufficient authority:

"(a) to call for and supervise the preparation of all departmental estimates.

"'(b) To submit to the minister of finance the estimates when finally completed, together with a report setting forth in sufficient detail the proposed increases and decreases, and the justfication thereof.

"(c) To keep in touch at all times with the expenditures of all departments with a view to effecting economies.

"(d) To report to the finance minister, and through him to the governor-in-council, all cases, where in his judgment, the expenditure for certain services should cease or be curtailed, together with the reasons therefor."

STANDARDS OF THE AGES

TRUTH, square dealing, efficiency, impartiality, competence, integrity; these old-fashioned qualities are standards of conduct of the ages, and just the qualities you want in the executor who will one day take charge of your property to administer it according to the terms of your last Will and Testament. These are the qualifications of an executor furnished by this Corporation with its 42 years' experience of executorship and extensive business—evidence of public confidence.

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"The Smoking Flax"

An Epic of the Canadian Prairies

A New Serial by ROBERT J. C. STEAD

begins in the

August 1st ISSUE OF MacLean's

Some Quotations from the opening Instalment of this Human Novel

Long vistas of undulating prairies checkered in black, moist fields. Here and there a grove of green poplars; here and there a farm house, white and peaceful in their shadows. Grass, green and moist, with a purple carpeting of anemones. Water shining from many tiny lakes. Coveys of white clouds like ruffled swans afloat in an infinite sky.

A long road, running straight on forever. . . . .

* * * * *

The lad clasped his hands, and, raising his face to the bright stars, repeated solemnly the words, "A bruised reed he shall not break, and the smoking flax he shall not quench."

"That was what my mother said last, wasn't it, Daddy X?" said the boy.

"Yes, Reed."

"And that is why you called me Reed, because my mother was a bruised reed, isn't it, Daddy X?"

"Yes, lad. But you cannot understand. Some day, perhaps, you will understand." But under his breath he renewed the promise given to the boy's dead mother: "He never shall; he never shall!"

* * * * *

The farmer removed the twisted accumulation from his head and harrowed his scalp with his thick fingers. "Well, I'll be danged," he confided at last. "I admit bein' in Plainville last night an' havin' a bit more formalin than was good for me, but I don't have no recollection of hirin' a man an' a boy an' a tin Lizzie. What is the deal?"

Buy the August 1st issue and begin with the first instalment.

OTHER STORIES IN THIS ISSUE

ONE WAY OUT by Joseph Lister Rutledge

THE MAN WHOM THE ROCKS HATED by Sheila Kaye-Smith

THE RED DISC by Vance Palmer

THE OPTION by Archie P. McKishnie

ANIMALS I REMEMBER by W. A. Fraser

Fact Articles

J. K. MUNRO "The Ginger Group Jolts Parliament"

JOHN NELSON "Canada's Naval Defense Problems"

MACLEAN'S "CANADA'S NATIONAL MAGAZINE"

August 1st Issue Now on Sale at all News Stands

27-YR.-OLD CROW'S NEST PACT CAUSING MANY TO PROTEST

Growth of Dominion in Interval Results in Much Discrimination

MANY CENTRES HIT

Cheap Rates Apply to C.P.R. Lines Built Prior to 1897 and Competing C.N.R. Lines

OTTAWA.—The coming into effect of the Crow's Nest Pass commodity rates is likely to bring on another important rate case. Formal complaints have been lodged with the railway commission by some communities, asking that the discrimination resulting from these rates be removed. Compliance with such a request would mean the extension of the Crow's Nest scale to territory that was not contemplated by the agreement. If a literal interpretation is to be insisted on by one side, it is natural to think that a similar interpretation will be insisted on by the other. It would be a serious matter for the railways if the scope of the agreement were widened in the way suggested. This is especially true in a year like the present, when traffic is falling, and will probably fall much more rapidly from now on as a result of the decrease in the prairie crop.

The agreement is being branded as one of the most disturbing elements which has ever been experienced by Canadian shippers and carriers and is said to be providing these interests with one of the greatest problems they have ever faced, says Hardware and Metal. The rates apply only to freight originating on the C. P. R. lines existing in 1897 when the Act was passed, but where there are competitive points between that line and the C. N. R. the latter are, of course forced to grant the same reduced rate. There is an undoubted advantage in the Crow's Nest rates for those shippers of the articles affected, who are located on the railway lines of the C. P. R. which existed in 1897 when the Act in question was passed. But in the intervening years there have been many extensions of railway lines, new routes have been opened up, industrial centres have disappeared and new ones sprung up in other places. Yet despite all these changes of direct influence upon distribution facilities in Canada, an act which applied in the year 1897 is brought back into use without any alteration to provide for these changes.

Change of Front

Naturally the restoration of rates which make no provision for the changes which have taken place in twenty-seven years, falls far short of covering the situation without great discrimination against certain interests. Now that the rates have been in effect for a month the full effect of such discrimination is making itself felt. Numbered among those alleging discrimination to-day are interests which were apparently strong for the re-establishment of the rates prior to July 1. It is quite apparent that many of such interests failed to take into consideration the full effect of the change.

The lower rates constitute a big advantage to Eastern Canadian firms located on lines of the C. P. R. which were in existence in the year 1897 and to distributors in Western Canada who are located on similar lines.

One of the greatest discriminations is due to the fact that no direct railway line on the C. P. R. existed from Windsor and central Ontario district to the West in 1897. Freight from Windsor to the West had to move either through the U. S. or move east to Montreal district before it could be moved over the transcontinental to the West. Due to this a series of districts or groups was established in that section of Ontario and a slight variation of freight rate established for each division on shipments to the West. For instance, freight moving from Windsor district might carry a rate of $1 per cwt. From London district the rate would decline perhaps to 95 cents per cwt. while from Hamilton and Toronto district the rate might be around 90 cents per cwt. These lower rates on freight originating at points further east was due to the necessity of moving freight east before moving it west in 1897. But the fact that railway lines have since been built obviating the necessity of taking freight east from Toronto in moving it to the West has not influenced the situation to-day and again the varying rates by groups on freight originating in this part of Ontario are in effect. Under the ordinary freight schedules in use prior to the restoration of the Crow's Nest agreement on July 1, freight was equalized on shipments to the West from all points between Windsor and Montreal because of the fact that practically an equal distance is traveled no matter how freight from such points is routed to the West. A blanket rate covered this whole large district. Imagine the confusion which has resulted among shippers by the restoration of a varying set of rates which were applicable in 1897, but which are certainly unsuitable to the changed conditions which have developed.

Maritimes Hard Hit

Maritime provinces are left out entirely. They are at a great disadvantage in competition with producers located on favored lines. In the West no direct line had been constructed to Edmonton in 1897. It was necessary to send freight to Edmonton through Calgary. Latterly the direct line has resulted in an equalized rate on shipments to Calgary and Edmonton. But now the restoration of the Crow's Nest rates provides for a lower rate to Calgary than to Edmonton. On some freight for instance, there will be a rate of $2 per cwt. to Edmonton while the rate to Calgary will be about $1.75.

British Columbia charges discrimination due to the fact that the prairie points on the part of the line affected by the Crow's Nest rates will realize the advantage they have in bringing in any of the lines figuring in the agreement from the east as compared with bringing them from B. C. producers. As the latter claim to have been building up business in the prairies in recent years they are making considerable protest against the restoration of the Crow's Nest rates.

Another odd thing about the whole matter is that while the C. P. R. secured its subsidy for the purpose of aiding it in constructing the line from Lethbridge to Nelson, B. C. through the Crow's Nest Pass, the lower rates provided in the agreement do not apply on that portion of their line. The Act provides definitely that the rates apply only to the lines in existence at that time and the railway is not at all anxious to extend them any further than they can help.

Saskatoon is affected while none of the lines feeding into that city are covered, due to the fact that the C. P. R. was in 1897 using a leased line out of that city. This was later turned over to the C. N. R. and being now a C. N. R. point it is not affected by the Crow's Nest rates.

CANADA HAS KEY TO WORLD POWER IN WATER AND FUEL

(Continued from page 1)

which extend to the east nearly 200 miles to Quebec, where they link up with the system of the Quebec Power Co., which in turn is connected to the lines of the Laurentian Power Co. The Shawinigan 30-cycle system on the south side of the St. Lawrence is connected through frequency changers to the system of the Southern Canada Power Co. This Quebec system represents 15 power developments aggregating 600,000 h. p.

This question of super-power, linking up of power stations and transmission lines for efficient distribution of power over long distances, came in for much discussion at the conference and delegates from 35 countries heard with surprise of the achievements of Canada and the United States in the development of extensive power systems. Some European countries have made progress in linking up all electric power developments within their borders, it was pointed out. Great Britain, it appeared, is more backward than other nations in the utilization of her coal and water power resources and the conference has already stimulated discussion in Britain on the question of linking up all industrial centres with a super-power system of electrical development and distribution and in the electrification of British railways.

Britain Lags Behind

Against the mass of evidence that a world-wide movement towards complete electrification is taking place on a scale hitherto unimagined, Britain had practically nothing to show. Even Charles H. Merz, in his interesting paper on "The Transmission and Distribution of Electrical Energy," could not conceal the fact that Britain was in danger of falling hopelessly behind. The economic restoration of the world and the introduction of a new era of power have almost been completed, while in Britain only a vague perception of this fundamental change has become visible. The only cure for this inertia advocated by Mr. Merz was a combination of railway, industrial, and agricultural electrification. Important, he declared as are technical distribution costs, there was considerable scope for the further economies which would result from the more widespread distribution of electricity, especially by combining the electrification of the main railway lines with the industrial load. No two factors were so fruitful in reducing the price of energy to the consumer as diversity of load and growth of load, and this was specially true of distribution, because the capital charges are not only large in themselves, but a considerable proportion of them was independent of the carrying capacity of the mains. The electrification of rural areas must be slow and difficult if dealt with independently, but would in many cases become profitable if combined with railway main line electrification, which would cover the country with a high-pressure network.

Following the conference, J. L. Garvin, well-known editorial writer, said in his Sunday paper, "The Observer," "The stoppage of the present desolating waste and the doubling of our industrial force by coal-economy and electric-supply are the questions which hold the key of our industrial and social fate. For thought the dying Goethe craved 'Light, more light.' For practice in our industrial community the essential word is 'Power, more power.'"

For Private Development

The question of private versus public ownership came up at the world power conference. The case for private development of power, under carefully drawn governmental restrictions, was made very strongly and practically none of the power leaders was ready to stand up for government ownership.

Dr. A. T. Hadley, (ex-president of Yale University), said that the last hundred years had shown that in standarized enterprises governments could conduct the actual ownership and operation with comparatively little danger. As an industry, however, became more progressive and experimental in its character the dangers of government ownership were very great, and regulation rather than direct operation had been on the whole a successful solution. To put the electrical industry, which was essentially one of the future leading industries, out of the hands of private enterprise would be little short of suicide.

John W. Lieb, vice-president, New York Edison Company, said that the less interference we had with the management of the utility business the better it would be for the public and ultimately for the companies.

Sir Philip Lloyd-Greame, M. P., in a paper on "Government co-operation in power development within the British Empire," urged that it should be the aim of governments to assist on a scale which would not merely satisfy the immediate requirements of the area, but which would be ready to meet any requirements that might arise in the near future. It should be the object of the government to attract capital to power undertakings and to remember that the undertaking which had the financial capacity and the sense of security to enable and justify it in constantly spending money on renewals and replacements and in fresh development was the undertaking which would be able to produce and sell cheaply. In normal times the government could begin and end there, but to-day something more was required, and the government should be ready to use its credit and, where necessary, even to make a direct financial contribution to secure the development and the anticipation of power projects. He thought the lines on which we had worked were sound and that we should be well advised to carry on along those lines as long as the necessity for state assistance existed.

It was of interest to note that while Canada has 3,227,414 h.p. of water power developed, Britain had only 250,000 h.p. developed. Switzerland has 1,500,000 h.p.; Austria 582,000 h.p. Few nations approached Canada.

MARKET FOR FURS WIDENS

MONTREAL. — That Canadian furs are finding a distinct place in the leading markets of the world is illustrated in the development of the Italian market, according to a report of the Canadian assistant trade commissioner for that country. At the present time there is a large import duty on dressed furs and importers have been importing furs in the raw state, a large proportion of which are of Canadian origin.

ALTHOUGH LOW, WHEAT ESTIMATE EXCEEDS AVERAGE

Western Outlook Very Favorable Compared With Period Prior to 1922

OTTAWA.—It is now generally conceded that this year's western wheat crop will be much smaller than that of 1923; but the effects, though regrettable, will not be as disastrous as some reports would indicate. The truth is that the huge crop of 450,000,000 bushels in the West last year quite upset many people's ideas of what has generally constituted an average crop.

The fact is that one's views on this subject cannot be fixed by the record crop of last year, nor by the previous high record crop of 1922, when the West produced 375,000,000 bushels. Even that crop, though 75,000,000 below the one last year, was about 75,000,000 greater than that in 1921, which in turn was 36,000,000 bushels greater than in 1920.

It should be borne in mind that in 1919 the prairie provinces produced only 165,544,000 bushels; in 1918 only 164,436,000 bushels; in 1917 approximately 212,000,000 bushels, and in 1916 242.000,000 bushels. That is to say, during the four years from 1916 to 1919 inclusive, the average yield of wheat in these provinces was only 196,000,000 bushels.

There is this great difference, however, between conditions then and this year. The average number of acres under crop in the four years was only 15,464,000 acres; but this year the acreage is given as 21,000,000 acres. Conditions are not nearly as bad in the West as they were in 1918 and 1919, and there are about 5,000,000 more acres under crop than there were in those years. This fact should gild the dark cloud very considerably. It should also serve to steady those who have been carried away by the crop calamity stories.

SHAFT IN SOLID ORE

The Horne shaft at Rouyn, Que., is reported in solid ore, with 20 per cent. copper and $7 in gold.

TENDER FOR BONDS

SEALED tenders, marked on the outside "Tender for Bonds," will be received by the undersigned up to noon of August 13th for the purchase of $50,000 Town of Campbellton Electric Light and Power Bonds, five per cent. interest, payable half-yearly, maturing May 15th, 1949. Highest or any tender not necessarily accepted.

JOHN T. REID,
Town Clerk.

Campbellton, July 29, 1924.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter payable on and after Tuesday the SECOND day of SEPTEMBER next, to Shareholders of record of 31st. July, 1924.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, July 22, 1924.

PACKING CO. HEAD GONE

Police of Prairies are Searching for Him on False Pretences Charge

Saskatoon provincial police are searching for John H. Reid, former managing director of the Wheat Belt Packing Co., who is wanted on a charge of obtaining $2,500 by false pretences. The warrant was issued by P. A. DeRoche, J.P., upon information laid by William Morley, president of the company of which Reid was managing director.

OIL PRICE CUTS

With crude oil production on the decrease and consumption making new high records, the Wall Street Journal says that many traders are at a loss to understand continued cuts in prices. The company that has taken the initiative in cuts made so far this year is a small factor only in the oil market, so far as purchases are concerned. The big companies have been saying right along that conditions have changed for the better.

THE BANK OF TORONTO

DIVIDEND No. 172

NOTICE IS HEREBY GIVEN that a Dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its branches on and after the 1st day of September next to Shareholders of record at the close of business on the 15th day of August, 1924.

By order of the Board.
JOHN R. LAMB,
General Manager.

The Bank of Toronto, Toronto,
July 16th, 1924.

The Royal Bank of Canada

DIVIDEND No. 148

NOTICE IS HEREBY GIVEN that a dividend of three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday the second day of September next, to shareholders of record at the close of business on the 15th day of August.

By order of the Board.
C. E. NEILL,
General Manager.

Montreal, Que., July 15, 1924.

THE CANADIAN BANK OF COMMERCE

Dividend No. 150

NOTICE IS HEREBY GIVEN that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1924, payable at the Bank and its Branches, on and after Tuesday, 2nd September next, to shareholders of record at the close of business on the 16th day of August, 1924.

By order of the Board.
JOHN AIRD,
General Manager.

Toronto, 18th July, 1924.

A photographic view of the mill under construction by the National Cement Co. at Montreal East.

LA COMPAGNIE DE CIMENT NATIONALE
NATIONAL CEMENT COMPANY
NATIONAL
CEMENT
MONTREAL

¶ Of all building materials, cement is the most indispensable to modern life.

¶ The consumption of cement in the United States was 17,230,644 barrels in 1902 and 113,870,000 barrels in 1922.

¶ The consumption of cement in Canada was 967,172 barrels in 1904 and 7,543,590 barrels in 1923.

¶ Owing to the high cost of transportation, the cement market is essentially a provincial or regional one.

¶ In 1923, the Province of Quebec produced 3,118,834 barrels of cement and it sold 3 [illegible]3,993 barrels.

¶ The cement sales in Quebec amounted to 2,135,631 barrels in 1921, 2,660,935 in 1922 and 3,173,993 in 1923.

¶ A great many of the Canadian cement mills were built before 1914, when that industry was still in the experimental stage, and have since become obsolete.

¶ The mill which the National Cement Company is building at Montreal East is the very last word in cement engineering. It will produce, at the lowest cost, 3,600 barrels of cement per day and at least 900,000 barrels a year.

¶ The National Cement Company is a Quebec concern. It fulfils all the conditions required to capture part of the market of this province.—Private consumers will gladly deal with it. At equal prices, the governments, municipal or otherwise, will be forced to give it a share of their business.

¶ Since the National Cement Company has appeared, cement prices are coming down in the Province of Quebec. No amount of bullying could keep it out of the market. No price cut will put it out of it.

¶ Back up those who help you. Make a sensible investment. Buy a few bonds of the National Cement Company.

¶ The Common Stock offered as a bonus may some day be worth par, and it does not cost you one cent.

Subject to prior sale, we offer

$1,500,000 7% First Mortgage bonds

NATIONAL CEMENT COMPANY

(Incorporated under the laws of the Province of Quebec)

Maturing serially from 1927 to 1938

Principal and interest payable in Canadian or American funds.

Price: par and accrued interest, with a 20% bonus of Common Stock

Prospectus and all other information on application.

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The Comptoir Financier, Limited
Bankers
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MONTREAL

Pond & Company, Inc.
Bankers
35 Congress St.
BOSTON

Crédit-Canada, Limitée
Bankers
120 St. James St., Transportation Building
MONTREAL

Date ....

To ....

(Address of one of the above-mentioned houses)

Please send me prospectus and all other information concerning 7% First Mortgage Bonds of the NATIONAL CEMENT COMPANY.

NAME and ADDRESS ....